

STOEL RIVES LLP

ATTORNEYS

ONE UTAH CENTER
201 S. MAIN STREET, SUITE 1100
SALT LAKE CITY, UTAH 84111-4904
Phone (801) 328-3131 Fax (801) 578-6999
Internet: www.stoel.com

SDMS Document ID



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January 31, 2001

MARTIN K. BANKS
Direct Dial
(801) 578-6975
[email:mkbanks@stoel.com](mailto:mkbanks@stoel.com)

VIA FIRST CLASS MAIL

Ms. Suzanne Buntrock
Region 4 CERCLA Coordinator
USDA Forest Service
324 25th Street
Ogden, Utah 84401

**Re: Request for Information Pursuant to Section 104(e) of CERCLA, 42 U.S.C.
§9604(e), Regarding Mines in American Fork Canyon, Utah**

Dear Ms. Buntrock:

This letter is in response to a letter of November 30, 2000 from Jack A. Blackwell, Regional Forester, requesting information pursuant to Section 104(e) of CERCLA. If you have any questions relating to this response, please feel free to contact me.

Best regards,

Martin K. Banks

MKB/js

Encl.

cc Gary Fremerman (w/out encl.)
Ted Fitzgerald (w/out encl.)
Jack A. Blackwell (w/out encl.)

RESPONSES TO CERCLA 104(e) INFORMATION REQUEST

Mines and properties with waste piles, tailings, or mine drainage associated with mining claims: Dutchman Flat-MS 5890, Wild Dutchman-Lot 68, First Northerly Extension of Wild Dutchman-MS 5866, New Idea-MS 5866, and Security-MS 5866.

Questions

1. *Identify the person(s) answering these questions on behalf of the Respondent.*

Martin K. Banks
Karen P. Whitt

2. *Indicate the name, title, address, and telephone number of the individual to whom any future correspondence regarding this matter should be directed.*

Martin K. Banks
Stoel Rives LLP
201 S. Main Street, Suite 1100
Salt Lake City, Utah 84111-4904

Historical Information and Relationship to Other Entities

3. *Identify and describe all property interests that the Respondent has ever had in, at or near the Sites, including any current interests.*

On August 8, 1988, Respondent acquired an ownership interest via warranty deed in the Wild Dutchman, First Northerly Extension of the Wild Dutchman, and New Idea claims (the "Site") from the Dutchman Coalition Mines Company.

On that same date, August 8, 1988, Respondent, as Trustor, conveyed through a trust deed this same interest in those claims to Robert G. Pruitt, Jr. as Trustee for Respondent, with Dutchman Coalition Mines Company as the Beneficiary, for the purpose of securing payment of indebtedness evidenced by a promissory note. Pursuant to the terms of the deed, Respondent was obligated to pay all taxes and assessment on the claims.

On November 29, 2000, Respondent quitclaimed the surface rights in those claims to Homestake, LLC, and the mineral rights in those claims to Hot Stuff, LLC.

4. *Describe the Respondent's business interest in, prior connection to, or association with mines or properties associated with "the Sites," including all name changes under which business was conducted. Describe the form of each entity listed (e.g., for-profit corporation, limited or general partnership, joint venture, sole proprietorship, etc.), identify the state in which each entity was or is organized, the date of organization or*

initiation of business, the date of discontinuation or dissolution, the purpose(s) for each entity and the reason(s) for its discontinuation or dissolution.

Respondent had a business interest in acquiring the Site in connection with its operation of a ski and summer resort in the nearby vicinity. Respondent has never had an interest in any operational aspect of the mines.

Respondent is a Utah Limited Partnership that was organized on April 1, 1970. Respondent's purpose is to "purchase, acquire, construct, own, operate and lease facilities for a summer and winter recreational area in Salt Lake City, Utah, and vicinity." Respondent continues in operation to this date.

In addition, for all listed entities:

- a. *If the entity was or is a partnership, please identify all limited and/or general partners.*

Limited Partner: Richard D. Bass Trust Estate (subsequent partnership amendments (available to the public at the Salt Lake County Clerk's office) added additional limited partners).

General Partners: Richard D. Bass; Visvivas, Inc. (subsequent partnership amendment (available to the public at the Salt Lake County Clerk's office) added Snowbird Corporation as an additional general partner).

- b. *If the entity was or is a corporation, please identify all corporate officers and members of the Board of Directors.*

Not applicable.

- c. *If the entity was or is a sole proprietorship, please identify all owners and supervisory employees.*

Not applicable.

- d. *If the entity was or is a joint venture, please identify all partners.*

Not applicable.

5. *Provide a copy of any articles of incorporation, related to the Sites, of the Respondent.*

Not applicable.

6. *To the extent not provided in response to Question 4, describe the Respondent's relationship to the following entities and/or individuals:*

- a. *Dutchman Coalition Mines Company - Previous Owner and Trust Beneficiary*

On August 8, 1988, Respondent acquired an ownership interest via warranty deed in the Site from the Dutchman Coalition Mines Company. On that same date, August 8, 1988, Respondent, as Trustor, conveyed through a trust deed this same interest in those claims to Robert G. Pruitt, Jr. as Trustee for Respondent, with Dutchman Coalition Mines Company as the Beneficiary, for the purpose of securing payment of indebtedness evidenced by a promissory note.

- b. *Sharon Steel Corporation*

Respondent is unaware of any relationship. Respondent believes that on August 8, 1988, Sharon Steel Corporation was declared the successor in interest to an easement for the abandoned Whirlwind Tunnel.

- c. *United States Smelting, Refining, and Mining Company*

Respondent is unaware of any relationship.

- d. *Alta United Mines Company*

Respondent has purchased from the Alta United Mines Company certain interests in various patented mineral claims in the upper Mineral Basin area of American Fork Canyon, Utah County, Utah.

- e. *James M. Blackmore (Representative for Alta United Mines Company)*

On information and belief, James M. Blackmore is the President of the Alta United Mines Company.

- f. *Robert G. Pruitt, Jr. - Trustee*

Robert G. Pruitt, Jr. has acted as an attorney for the Respondent and also as a Trustee for Respondent in the August 8, 1988 trust deed made between Respondent and Dutchman Coalition Mines Company with respect to the Wild Dutchman, First Northerly Extension of the Wild Dutchman, and New Idea claims.

7. *To the extent not provided in response to Question 6, identify all partnerships involved in the Sites in which Respondent is or was a partner. For all such partnerships: (1) provide copies of any Partnership Agreements and/or Certificates filed with the Secretary of State, the applicable county, or that are in your possession; (2) identify all partners comprising the partnership and the nature of their partnership interest; and (3) describe the current status of the partnership.*

Respondent was not a partner in any partnership involved in the Site.

8. *To the extent not provided in response to any prior question, describe all contractual relationships, formal or informal business relationships, including partnerships and joint ventures, or other arrangements that the Respondent may have or may have had concerning any activities at the Sites.*

On December 3, 1981, Dan Proctor entered into Mining Lease agreement as lessee, with Dutchman Coalition Mining Company as lessor. In connection with Dutchman Coalition Mining Company's sale of the Site, Dan Proctor entered into a release of the Mining Lease agreement, acknowledging and confirming his obligations for reclamation and for disposal of waste materials at the Site.

Respondent has no, and has had no, contractual or business relationships, or other arrangements, concerning any activities at the Site. Other than the association with Dan Proctor described in the above paragraph, and the association described in response to paragraphs 3 and 4, Respondent has no, and has had no, association with the Site.

9. *Please provide copies of all agreements relating to the Respondent's liability, indemnity or contribution for environmental conditions at or in connection with the Sites.*

See attached.

10. *To the extent not addressed in response to question 9, provide a list of the Respondent's property and casualty insurance policies that may apply to the Sites for the period of your association with the Sites. Specify the insurer, policy, effective dates, and state the per occurrence policy limits for each policy. Copies of the policies may be provided in lieu of a narrative response.*

Respondent is unaware of any such policies that may apply to the Site.

11. *Identify all persons, including all corporate predecessors, successors and individuals, who may be responsible for any liabilities arising from or relating to environmental conditions, including the release or threatened release of hazardous materials at the Sites. Provide any known, past or present, addresses of said persons.¹*

- ▶ United States Department of Agriculture, Forest Service (in 1968, Dutchman Coalition Mines Company relinquished its right, title, and interest in the Dutchman Flat and Security mining claims to the Forest Service)

¹ The list provided does not include any individuals who owned or operated the Site prior to 1900.

- ▶ Dutchman Coalition Mines Company; former president, John Hornok of Kearns, Utah (1202 E. Parkstone Dr., Draper, Utah 84020; phone: 801-572-2682) (in 1940, was deeded the claims by Harry W. and Marie M. Holden; conveyed the Dutchman Flat and Security claims to the U.S. Forest Service in 1968; in 1988, conveyed the remaining claims, Wild Dutchman, First Northerly Extension of the Wild Dutchman, and New Idea to Snowbird, Ltd.)
- ▶ Harry W. Holden & Marie M. Holden (in 1920, were deeded the claims by Dutchman Mining Co.; in 1940, conveyed the mining claims to Dutchman Coalition Mines Co.)
- ▶ Dutchman Mining Co. (in 1908, was deeded the mining claims by Caravel Gold & Silver Mining Co.; in 1920, conveyed the mining claims to Harry W. and Marie M. Holden)
- ▶ Caravel Gold & Silver Mining Co. (in 1908, quitclaimed the mining claims to Dutchman Mining Co.; the conveyance provided that Dutchman Mining Co. would assume all outstanding liabilities of Caravel Gold & Silver Mining Co.; Clinton B. Klock acted as Trustee in these dealings)
- ▶ American Fork Consolidated Gold & Silver (in 1893, conveyed Wild Dutchman claim to Sylvester Osborn)
- ▶ Omaha Smelting & Refining Company (filed patent for Wild Dutchman claim; in 1890, quitclaimed Wild Dutchman claim to Sylvester Osborn)
- ▶ Sharon Steel Company (in 1988, declared successor in interest to United States Smelting, Refining and Mining Co. easement for abandoned Whirlwind Tunnel)
- ▶ Dan Proctor (in 1981, he entered into a lease (as lessee) with Dutchman Coalition Mining Company; in 1986, he entered into a release of the mining lease agreement, and acknowledged and confirmed his obligations for reclamation and for disposal of waste materials at the Site; address is 951 East 830 South, Pleasant Grove, Utah 84062; phone 801-785-1115)
- ▶ M. Alma Bourne (from approximately 1938 through 1953 he leased the Site from Dutchman Coalition Mining Company; for the years 1947, 1948, 1949, 1950, 1951, 1952, 1953 he filed Affidavits of Labor, reciting that he performed work and operations on the claims)
- ▶ Jay Jacobsen (in 1951, he reportedly shipped 113 tons of lead-silver ore from Dutchman waste dump)

- ▶ Cleghorn Associates and/or Dutchman Mine Leasers (in 1948, they entered into an agreement with United States Smelting, Refining and Mining Co. to do exploration work)
- ▶ Willard Cleghorn (in 1946, he reportedly leased and managed mine)
- ▶ Golden West Consolidated Mining and Leasing Co. (in 1941, the U.S. Smelting, Refining and Mining Co. reassigned its lease to Golden West)
- ▶ United States Smelting, Refining and Mining Co. (in 1941, it entered into lease (Golden West Consolidated Mining and Leasing Co. assigned its lease))
- ▶ Carl Ferlin and/or American Fork Exploration Co. (in 1917, they entered into lease as lessee)
- ▶ J. Greenwood (in 1915 and 1916, he filed Affidavits of Labor, reciting that he performed work and operations on the claims; was identified as a leaseholder; also had agreement for use of tunnel on Wild Dutchman)
- ▶ Dutchman Mine Leasing Co. (in 1908, entered into 2 year lease (as lessee) with Dutchman Mining Co.)
- ▶ John Pierce (in 1908, he filed Affidavit of Labor, reciting that he performed work and operations on the claims)
- ▶ J. W. Holden (in 1906, 1907, 1912 and 1913, he filed Affidavit of Labor, reciting that he performed work and operations on the claims; he entered into a lease (as lessee) with Ned Wilds, Heber Wilds, J. Chipman, and J. Greenwood)
- ▶ W. A. Madison (in 1901, he filed Affidavit of Labor, reciting that he performed work and operations on the claims)
- ▶ Jed Mercer, E.J. Wilds, Heber Wilds (in 1900, they entered into a lease agreement for use of tunnel)
- ▶ Fissure Exploration Co. (erected 100 ton concentration plant at the portal of one of the claims; reported in *Geology and Ore Deposits of the Cottonwood-American Fork Area, Utah*, F. C. Calkins and B. S. Butler (1943))

12. *Provide copies of all corporate federal and state income tax statements, financial statements, reports or projections prepared by, for, or on behalf, of the Respondent for the past 3 years, whether audited or not, including, but not limited to, all returns filed with the Securities and Exchange Commission, state agencies, and all financial institutions such as banks.*

Respondent objects to this request based on the sensitive and highly confidential nature of this proprietary business information and Respondent's belief that this information is not yet relevant to the issues at hand. However, Respondent acknowledges that such information may become relevant in a subsequent allocation determination following any liability determination, at which time Respondent would be willing to make this information available with appropriate confidentiality protections. Please contact the undersigned to discuss this response if the Forest Service considers the objection to be unfounded or the arrangement to be unacceptable.

Site Operations/Waste Management Issues

13. *Please provide copies of all permits, licenses, registrations, or other authorizations held by the Respondent for operations at the Site issued pursuant to any environmental statute, regulation or ordinance ("Permits"); as well as all pending Permit applications and draft or proposed Permits or Permit Modifications.*

Respondent is unaware of any responsive documents.

14. *Describe your operations (including past and present) at the Site, including but not necessarily limited to a description of the following activities:*

- a. *Construction and/or maintenance of tailings piles;*
- b. *Drilling,*
- c. *Mining;*
- d. *Excavation methods;*
- e. *Milling;*
- f. *Processing operations;*
- g. *Disposal of waste, overburden, drilling fallout, etc.;*
- h. *Heap leaching.*

The Respondent has not conducted in the past, and is not conducting in the present, any operations at the Site. See response to paragraph 22.

15. *Identify all persons and their most current known address, including the Respondent, who may have excavated or unearthed materials at the Sites. In addition:*

See response to 11.

- a. *State the dates on which such persons may have excavated or unearthed materials.*
- b. *Describe the nature, including the chemical content, characteristics, physical state (e.g., solid, liquid, etc.) and quantity (volume and weight) of all materials excavated or unearthed at the Site.*

- c. *Identify the persons and employees who may have handled such materials.*
 - d. *Describe the nature of the operations involved in the excavating, unearthing or handling of such materials.*
 - e. *Provide all documents or other information of which the Respondent is aware relating to the ultimate disposition of such materials.*
16. *State whether you have or may have caused or contributed in any way to the release or threatened release of any hazardous materials at the Sites. Describe any release or threat of release and how you may have caused or contributed to it.*

Respondent does not have any information relating to a release or threatened release of any hazardous materials at the Site. Furthermore, Respondent is unaware of having caused or contributed in any way to the release or threatened release of any hazardous materials at the Site.

17. *Identify any person who caused or may have caused a release or threatened release of hazardous materials at the Sites. Describe the cause of the release or threatened release.*

See response to paragraph 11.

18. *Provide copies of all documents relating to any release or suspected release of hazardous materials at or from the Sites.*

Respondent is unaware of any responsive documents.

19. *Identify all persons, including but not limited to the Respondent's employees or agents, or those persons with whom you have a contractual relationship, who have or may have knowledge, information, or documents regarding the questions contained herein or about the generation, use, purchase, treatment, storage, disposal, or other handling of hazardous materials at, or the transportation of hazardous material to or from, the Sites.*

Jim Baker; Snowbird Ski & Summer Resort; Snowbird Center, 2nd Floor, Snowbird, Utah, 84092-9000

Bob Black; Snowbird Ski & Summer Resort; Snowbird Center, 2nd Floor, Snowbird, Utah, 84092-9000

Tom Jones; Snowbird Ski & Summer Resort; Snowbird Center, 2nd Floor, Snowbird, Utah, 84092-9000

Marty Banks; Stoel Rives LLP, 201 South Main, #1100, SLC, Utah, 84111-4904

Karen Whitt; Stoel Rives LLP, 201 South Main, #1100, SLC, Utah, 84111-4904

Robert G. Pruitt, III, Pruitt, Gushee & Bachtell, 1850 Beneficial Life Tower, 36 South State Street, SLC, Utah, 84111

Neal Artz; Cirrus Ecological Solutions, L.C., 570 E. Research Park Way, Suite 108, North Logan, Utah 84341

See response to paragraph 11.

Technical Information

20. *Please provide copies of any audits, records, assessments, inspections, or other documents relating to the location, construction, and installation of any structure, feature, adit, pile, etc. at the Sites.*

See attached.

21. *Please provide copies of all technical or analytical information, including the results of laboratory and field tests, relating to environmental conditions or to the presence, absence, nature, movement or environmental effects of hazardous materials at the Sites. This request includes the results of all analyses of all water, soil and air samples. It is not necessary to provide any such information in your possession developed by, or for, the Forest Service.*

On information and belief, the U.S. Geologic Survey is conducting a surface water study relating to potential hazardous materials in the American Fork River. Respondent does not have a copy of any such report, and is unaware if the study has yet been completed.

22. *Describe any closure or reclamation activities previously undertaken by the Respondent or other entities at the Sites, and provide any documents or technical information pertaining to such activities.*

Respondent provided access to the Utah Division of Oil, Gas & Mining in connection with the Division's efforts to mitigate physical hazards pursuant to the Utah Abandoned Mine Reclamation Program. Respondent also provided access to the U.S. Forest Service in connection with the Forest Service's effort to construct fences and/or other barriers to keep off-road vehicles away from the piles in the vicinity of the Site.

Other

23. *If you have reason to believe that there may be persons able to provide a more detailed or complete response to any question contained herein, or who may be able to provide additional responsive documents, identify such persons, their address and phone number, and the additional information or documents that they may have.*

See response to paragraph 11.

NOTARIZED CERTIFICATE

I, Martin K. Banks, having been duly sworn and being of legal age, hereby state:

1. I am the person authorized by Snowbird, Ltd. to respond to the USDA-Forest Service's request for information concerning mines or properties with waste piles, tailings, or mine drainage associated with mining claims: Dutchman Flat-MS 5890, Wild Dutchman-Lot 68, First Northerly Extension of Wild Dutchman-MS 5866, New Idea-MS 5866, and Security-MS 5866.

2. I have made a reasonably complete and thorough review of all documents, information, and sources in my possession, custody and control relevant to this request.

3. I hereby certify that the attached response to the USDA-Forest Service's request is reasonably complete and to the best of my knowledge contains all information and documents responsive to the request.

Martin K. Banks

(Signature)

Martin K. Banks

(Print Name)

Attorney

(Title)

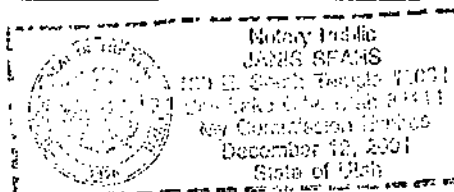
Subscribed and sworn to me this 31st day of JANUARY, 2001.

Janis Sears

Notary Public

My commission expires: 12-12-01

My address is:



RESPONSE TO NUMBER 3

WHEN RECORDED, MAIL TO:

ENT23669 BK 2533 PG 865
NINA B REID UTAH COUNTY RECORDER DEP MB
1988 AUG 12 10:21 AM FEE 8.00
RECORDED FOR ROBERT J PRUITT JR

Space Above This Line for Recorder's Use

Trust Deed

THIS TRUST DEED is made this 8th day of August, 1988,
between SNOWBIRD, LTD., a Utah Limited Partnership, as Trustor,
whose address is Snowbird, Utah 84092
(Street and Number) (City) (State)

Robert G. Pruitt, Jr. (Attorney at Law in Salt Lake City, as Trustee,* and
City)
DUTCHMAN COALITION MINES COMPANY, as Beneficiary.

Trustor hereby CONVEYS AND WARRANTS TO TRUSTEE IN TRUST, WITH POWER
OF SALE, the following described property situated in Utah County, Utah:

Wild Dutchman Lot 68
New Idea, First
Northerly Ext. of the
Wild Dutchman Mineral Survey No. 5866
(containing 44.948 ac., m/l, in the American Fork Mining District)

Together with all buildings, fixtures and improvements thereon and all water rights, rights of way, easements, rents, issues, profits, income, tenements, hereditaments, privileges and appurtenances thereunto now or hereafter used or enjoyed with said property, or any part thereof;

FOR THE PURPOSE OF SECURING payment of the indebtedness evidenced by a promissory note of even date herewith, in the principal sum of \$17,500.00, payable to the order of Beneficiary at the times, in the manner and with interest as therein set forth, and payment of any sums expended or advanced by Beneficiary to protect the security hereof.

~~Trustor to pay all taxes and assessments on the above property to pay all charges and~~

COPY

TRUST DEED NOTE

\$17,500.00

Salt Lake City, Utah

FOR VALUE RECEIVED, the undersigned promises to pay to the order of Dutchman Coalition Mines Company, a Utah corporation having offices at 4754 South 4520 West, Salt Lake City, Utah 84118, the principal sum of Seventeen Thousand Five Hundred Dollars (\$17,500.00), together with interest from the date hereof at the rate of ten percent 10% per annum on the unpaid principal, said principal and interest payable as follows:

Five annual installments of Three Thousand Five Hundred Dollars (\$3,500.00) principal plus accrued interest on the unpaid balance commencing with the first annual payment on July 1, 1989. All or part of the unpaid principal or interest may be prepaid at any time without penalty and without prior notice.

If default occurs and the payment of said installments of principal and interest or any part thereof, or in the performance of any agreements contained in the Trust Deed securing this Note, the holder hereof, at it's option and upon notice or demand made to the undersigned, may declare the entire principal balance and accrued interest due and payable.

If this note is collected by an attorney after default in the payment of the principal or interest, either with or without suit, the undersigned agrees to pay all costs and expenses of collection including a reasonable attorney's fee.

Dated: August 8, 1988

This Note is secured by a Trust Deed of even date herewith.

SNOWBIRD, LTD.,
a Utah Limited Partnership

By: Richard D. Bass
Richard D. Bass
General Partner

COPY

WARRANTY DEED

DUTCHMAN COALITION MINES COMPANY, a Utah corporation, hereinafter referred to as "Grantor", hereby warrants and conveys to SNOWBIRD LTD., a Utah Limited Partnership, whose address is Snowbird, Utah 84092, all of the right, title and interest in and to the patented lode mining claims owned by Grantor in the American Fork Mining District, Utah County, State of Utah, to wit:

Wild Dutchman Lode

Lot #68

First Northerly
Extension of the
Wild Dutchman Lode

Mineral Survey
No. 5866

New Idea Lode

Mineral Survey
No. 5866

(constituting 44.948 acres, more or less, in unsurveyed Sections 27 and 28, Township 3 South, Range 3 East, Salt Lake Base and Meridian).

The officer executing this Warranty Deed certifies that he is fully authorized to do so, and that all actions relating thereto which are required by the Articles of Incorporation and By Laws of the corporation have been done.

DATED this 8 day of August, 1988.

DUTCHMAN COALITION MINES COMPANY

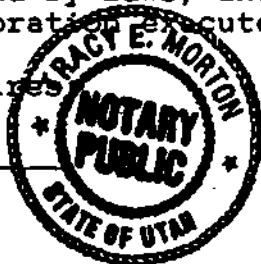
By: John Hornok
John Hornok,
President

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On this 8th day of August, 1988, personally appeared before me, John Hornok, who being by me duly sworn, did say, that he is the President of Dutchman Coalition Mines Company, and that said instrument was signed on behalf of said corporation by authority of its Articles and By Laws, and said John Hornok acknowledged to me that said corporation executed the same.

My Commission Expires

05/09/90



Tracy E. Morton
NOTARY PUBLIC

Residing at: 912 N. 1st St.

RESPONSE TO NUMBER 4

AGREEMENT OF LIMITED PARTNERSHIP

SNOWBIRD, LTD.

AGREEMENT OF LIMITED PARTNERSHIP made this 1st day of April, 1970, by and among RICHARD D. BASS of Dallas, Texas and VISVIVAS, INC., a Delaware corporation with permit to do business in Utah (hereinafter sometimes referred to as "General Partner"), and the RICHARD D. BASS TRUST ESTATE (hereinafter sometimes referred to as ("Limited Partner")).

NOW, THEREFORE, intending to be legally bound hereby, the parties hereto do hereby agree to operate a limited partnership under the laws of the State of Utah upon the following terms and conditions:

ARTICLE I

FORMATION OF LIMITED PARTNERSHIP

1. The parties hereto do hereby form a limited partnership pursuant to the Act of the Legislature of the State of Utah as set forth in Title 48, Chapter 2 of Utah Code Annotated, 1953, and known as the Uniform Limited Partnership Act, as amended.

2. The parties shall forthwith execute:

- (a) A Certificate and an affidavit thereto, and cause the same to be filed in the Office of the Recorder of the County of Salt Lake in accordance with the provisions of the Uniform Limited Partnership Act, Section 48-2-2, UCA, 1953.
- (b) A Certificate, and cause the same to be filed with the Secretary of State of the State of Utah as required by Title 42, Chapter 2, UCA, 1953, which chapter relates to the conduct of business under an assumed name.

3. This agreement is entered in the State of Utah, and the parties hereto agree that all rights and duties hereunder are governed by and subject to the laws of the State of Utah.

ARTICLE II

NAME, CHARACTER, PLACE OF BUSINESS AND TERM OF PARTNERSHIP

1. The business of the partnership shall be conducted under the name of "Snowbird, Ltd."

2. The purpose of the partnership shall be to purchase, acquire, construct, own, operate and lease facilities for a summer and winter recreational area in Salt Lake City, Utah, and vicinity, including, but not limited to lifts, trams, schools for skiing and other purposes, golf courses, golf shops, swimming pools, living accommodations, food and beverage serving facilities, lodges, hotels, condominiums, shops and stores. It may own or acquire land or interests in land, and lease or sell real estate for commercial and residential development. It may borrow money, employ persons or firms, join ventures and engage in any activity or enterprise determined by the General Partners to benefit the partnership or any of its assets. If the General Partners or either of them should loan money to the partnership for any such purpose, such General Partner may charge interest thereon at the rate which he or it can personally borrow money, without profit to himself or itself.

3. The principal place of business of the partnership shall be in Salt Lake County, Utah but additional places of business may be conducted at locations as may from time to time be agreed upon by the General Partners.

4. The partnership shall commence as of the date first above written, and shall continue for twenty-five years from and after said date, unless sooner dissolved or terminated as herein provided.

5. The General Partners shall have broad powers in the management and disposition of the assets of the partnership, and may conduct the business of the partnership in the manner determined by them to be in the best interests of the partnership.

6. The assets and liabilities of the partnership may be conveyed in whole or in part by the General Partners to a limited partnership, corporation or other entity.

7. The General Partners may terminate the partnership and distribute the assets or proceeds therefrom at such reasonable time thereafter as they shall deem appropriate.

ARTICLE III

CAPITAL CONTRIBUTION, ACCOUNTS AND WITHDRAWALS

1. Richard D. Bass and Visvivas, Inc. shall be the sole General Partners. Richard D. Bass Trust Estate shall be the sole Limited Partner.

The General Partner, Visvivas, Inc., shall contribute as its portion of the capital of the partnership cash in the amount of \$5,000.00.

The General Partner Richard D. Bass shall contribute as his portion of the capital of the partnership \$150,000.00 as follows:

- (a) His interest in the Wasatch Mining Company valued at his cost of \$16,704.00.
- (b) The amount of money paid by him to Wasatch Mining Company for purchase option and for annual rental \$3,000.00.
- (c) The amount of money paid by him to Security Title Company for preliminary title reports \$1,394.15.
- (d) The initial down payment made for the purchase of a tram and related equipment \$95,028.30.
- (e) Travel costs expended by him in negotiating for the purchase of the tram and related equipment \$_____.
- (f) The option money paid to Alta-Snowbird, Ltd. \$10,000.00.
- (g) The balance to be paid in cash as and when needed.

The Limited Partner Richard D. Bass Trust Estate shall contribute as its portion of the capital of the partnership \$1,350,000.00 in cash, as and when needed.

As a result of the foregoing the interest of the partners in the limited partnership and its assets and capital, are and shall be as follows:

<u>Name</u>	<u>Interest</u>	<u>Address</u>
Richard D. Bass (General Partner)	9.875%	1150 Mercantile Dallas Bldg. Dallas, Texas 75201
Visvivas, Inc. (General Partner)	0.125%	1150 Mercantile Dallas Bldg. Dallas, Texas 75201
Richard D. Bass Trust Estate (Limited Partner)	90.000%	1150 Mercantile Dallas Bldg. Dallas, Texas 75201

The Limited Partner shall not be obligated to make any additional contribution to the capital of the partnership in addition to the total of \$1,350,000.00 to be paid as and when needed.

2. Capital accounts shall be separately maintained for each partner, limited or general, and shall state the current capital contributions of each partner.

3. No Limited Partner may make withdrawals from his capital account without prior consent of the General Partners, and then only upon terms agreed to by the General Partners.

ARTICLE IV

DUTIES, POWERS AND SALARIES OF PARTNERS

1. The General Partners shall each have an equal voice in the management and conduct of the partnership business. Each General Partner shall have all the rights and powers, and be subject to all the restrictions and liabilities, of a partner in a partnership without limited partners except as otherwise provided in Article VIII hereof.

The General Partners shall manage the partnership with diligence and with best efforts.

Checks shall be drawn on the partnership bank account or bank accounts and shall be signed by any General Partner or person authorized in writing by any General Partner to so act.

2. Visvivas, Inc. shall be reimbursed for all expenses paid by it on behalf of the partnership, including the salaries of officers, directors and employees who devote their time to partnership business. Richard D. Bass shall receive no compensation for his services as General Partner, but he shall be entitled to receive reimbursement for all expenses paid by him on behalf of the partnership.

3. The Limited Partner shall not take part in the Management of the business or transact any business for the partnership, and shall have no power to sign for or to bind the partnership. No salary shall be paid to any Limited Partner.

4. Proper and complete books of account of the business of the partnership shall be kept by or under the supervision of the General Partners at the principal place of business of the partnership and shall be opened to inspection by any of the partners, general or limited, or by their accredited representatives, at any reasonable time during business hours. The books and records of account shall be examined and reviewed as of the close of each fiscal year by an independent certified public accountant, acceptable to the General Partners, who shall make a report thereon.

5. The General Partners shall prepare and distribute periodically to the Limited Partner a statement of the general business of the

partnership since the last such statement, containing all information which the General Partners shall deem relevant, including a brief financial statement of partnership revenues and disbursements, acquisition of assets and changes in staff.

ARTICLE V

PROFITS, LOSSES, DEPRECIATION AND TAX INCIDENCE

1. The net profits and net losses of the partnership shall be divided among the partners in the same proportion as their respective interest in the partnership as set forth in Article III above.
2. Distribution of cash or other partnership assets will be made to the partners on the basis of their respective interests in the net profits of the partnership as set forth in paragraph 1. next above.
3. There shall be no obligation for cash distributions to the partners until the partnership is debt free.

ARTICLE VI

TERMINATION OF PARTNERSHIP; CHANGES IN GENERAL PARTNERS

1. As provided by law, the retirement, death, insanity or bankruptcy of a General Partner dissolves the partnership.
2. A General Partner may retire from the partnership by giving at least ninety (90) days notice thereof in writing to all of the partners.
3. In the event of the dissolution of the partnership by retirement, expulsion, death, insanity or bankruptcy of a General Partner, a proper accounting shall be made of the Capital Account of each partner and of the net profit or net losses of the partnership from the date of the last previous accounting to the date of dissolution.
4. Upon the termination of the partnership business, its liabilities and obligations to creditors shall be paid (including its obligations, if any, to any General Partner) and establishment of a reserve fund or funds for contingent or unforeseen liabilities or obligations of the partnership or of the General Partners which arise out of or in connection with the business of the partnership, and the balance of its assets or the proceeds of their sale shall be distributed in the following order:

- (a) Those to Limited Partner, in respect to its share of the profits and other compensation by way of income on its contribution.
- (b) Those to Limited Partner, in respect to the capital of its contribution.
- (c) Those to General Partners, in respect to profits.
- (d) Those to General Partners, in respect to capital.

It is mutually understood and agreed that all partners shall look solely to the assets of the partnership for the return of their respective capital contributions, and if the assets of the partnership after payment of liabilities or to funds as herein provided is insufficient to return the contributions of the partners, none shall have or assert any claims against any of the partners, general or limited.

The General Partners or the surviving General Partner shall have exclusive authority to conduct and manage the liquidation and distribution of the assets of the partnership, and to decide whether to liquidate through a sale or distribute in kind all or any of the assets of the partnership.

5. In the event of the retirement, death, insanity or bankruptcy of a General Partner, the remaining General Partner, if it or he consents to thereafter act as such, shall have the right to continue the partnership, or, if it or he does not consent to do so, then the remaining members of the partnership may agree to continue the partnership under the management of the surviving General Partner or under the management of some other General Partner or partners selected by them, but they shall pay to the retiring partner, or to the legal representatives of the deceased or insane partner, as the case may be, the fair market value of his interest in the partnership.

ARTICLE VII

PRIVILEGES OF PARTNERS

Each partner, general or limited, shall be entitled to the following privileges with regard to partnership assets and facilities:

1. Free Skiing Privileges:

- (a) Richard D. Bass shall be entitled to receive a total of 150 free skiing privileges to be utilized by natural persons to be designated by him and when so

designated such privileges shall be non-transferrable and exist only for the lifetime of such natural person.

2. Discounts on Condominium Unit:

- (a) Richard D. Bass shall be entitled to a ten percent (10%) discount on the first six (6) condominium modules purchased by or through him and a five percent (5%) discount on each of the additional modules which his interest may purchase, with respect to the first condominium constructed on the premises by this partnership. This discount must be exercised within three months after notification to him of the condominium pricing schedule with respect thereto.

3. Building Lot:

- (a) Richard D. Bass shall be deemed, free of cost, one residential lot out of the partnership property to be described and determined by the General Partners but not to exceed one acre.

ARTICLE VIII

THE GENERAL PARTNERS

1. A General Partner may not, without the consent herein or otherwise of the Limited Partner:

- (a) Assign, transfer or pledge any of the claims of or debts due to the partnership except upon payment in full, or arbitrate or consent to the arbitration of any disputes or controversies of the partnership.
- (b) Make, execute or deliver any assignment for the benefit of creditors or any bond, confession of judgment, chattel mortgage, deed, guaranty, indemnity bond, surety bond, or contract to sell or contract of sale for all or substantially all of the property of the partnership.
- (c) Become a surety, guarantor or accommodation party to any obligation except for partnership business.

2. General Partners shall at all times act in the best interests of the partnership, and shall be accountable to the other partners for the unlawful use of the partnership funds or assets.

ARTICLE IX

THE LIMITED PARTNERS

1. A Limited Partner may not, without the consent of the General Partners:

- (a) Pledge or hypothecate his interest in the partnership or any part thereof except to parties to this agreement.
- (b) Assign or transfer any interest or a portion thereof without first offering such interest to the partnership in the manner set forth in Paragraph 2, below.

- (c) Assign or transfer in any manner any interest less than his entire interest in the partnership, except to parties to this agreement.
- (d) Withdraw from the partnership except as provided in this agreement relating to the substitution of limited partner interests.

2. Except as otherwise specifically provided for hereinafter, a Limited Partner who wishes to sell his interest, or any portion thereof, (the "Offered Interest"), in the partnership shall give each of the partners written notice by registered mail of the price and terms of such assignment or transfer. If a majority in interest of the partnership consents, the partnership shall purchase such Offered Interest, but the General Partners shall assign the option or a portion thereof to purchase such interest to those partners who, within thirty (30) days after receipt of the notice, notify the General Partners of the amount of the Offered Interest which they wish to purchase. The General Partners shall allocate the offered interest to such purchasing partners in the same proportion as each purchasing partner's interest in the partnership capital bears to the aggregate interest in partnership capital of all the purchasing partners. If any purchasing partner has not elected to purchase his entire allocation, then those partners selecting to purchase more than their allocation shall have the right to purchase the remaining amount of the offered interest in such proportions as they shall agree among themselves, or in absence of agreement, as the General Partners shall designate. If the partnership and/or its assignees do not elect to purchase the entire Offered Interest within sixty (60) days after receipt of notice of such offer, the offering Limited Partner shall be free to assign or transfer the offered interest at the price and on the terms offered for a period of sixty (60) days thereafter; provided, however, if the Offered Interest was less than the entire interest of such Limited Partner in the partnership, such Limited Partner may assign or transfer only to one or more of the other partners. The assignee or transferee may not become a substituted Limited Partner without the consent of the General Partners.

3. The interest of a Limited Partner may be transferred to his legatee or heir by death, but such transferees may not become Limited Partners unless the General Partners first consent in writing.

4. A Limited Partner shall not conduct himself in any manner which conflicts with the established lawful business of the partnership, or do anything calculated to obstruct the stated purposes of the partnership. In such event the Limited Partner shall be liable in damages to the partnership and the individual partners.

ARTICLE X
REPRESENTATIONS

This written instrument constitutes the entire agreement between and among the partners, and cannot be amended except in writing and executed by the parties.

Each Limited Partner, by executing this Agreement, does hereby certify that he is purchasing or has acquired his interest for the purpose of investment, and has no present intent to dispose of it.

ARTICLE XI
NOTICES


Any notices required or desired to be served upon the partners shall be addressed to such partner at the address designated in this agreement or by a subsequent written notice to the General Partners indicating a change of address, postage prepaid, and shall be deemed delivered 3 days after mailing.

ARTICLE XII
EXECUTION IN COUNTERPARTS

This agreement may be executed in counterparts and each such counterpart shall be considered an original, but all shall be taken together to constitute one agreement.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the day and year first above written.

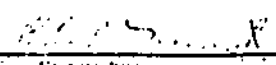
GENERAL PARTNERS


Richard D. Bass

VISVIVAS, INC.

By 
President

ATTEST:


Secretary

(Corporate Seal)

LIMITED PARTNER

RICHARD D. BASS TRUST ESTATE

By *[Signature]*

By *[Signature]*

By *[Signature]*
"Trustees"

CERTIFICATE OF FORMATION OF
LIMITED PARTNERSHIP

The undersigned General Partners and Limited Partner respectively, hereby state under oath, pursuant to Section 48-2-2 of the Utah Code Annotated, 1953, as follows:

1st. The name of the Limited Partnership shall be
SNOWBIRD, LTD.

2nd. The character of the business shall be the ownership and operation of a winter and summer recreational area at or near Alta, Utah, including but not limited to facilities for skiing and general recreation, lodging, meals, services, land and interests in land.

3rd. The location of the principal place of business shall be Salt Lake County, Utah.

4th. The name and residence of each partner, general or limited is as follows:

General Partners: 1. Richard D. Bass
1150 Mercantile Dallas Building
Dallas, Texas 75201

2. Visvivas, Inc.
1150 Mercantile Dallas Building
Dallas, Texas 75201

Limited Partner: 1. Richard D. Bass Trust Estate
1150 Mercantile Dallas Building
Dallas, Texas 75201

5th. The partnership shall exist for a term of twenty-five years commencing April 1, 1970 unless sooner terminated by operation of law or upon terms set forth in the agreement of limited partnership.

6th. The sole Limited Partner, Richard D. Bass Trust Estate, shall contribute cash in the amount of \$1,350,000.00 as and when needed.

7th. No additional contributions shall be made by the Limited Partner except as shall be agreed to by the General Partners.

8th. All partners, general or limited, shall share in any profits of the limited partnership in the proportion which their respective equity percentage interests set forth in the Agreement of Limited Partnership of Snowbird, Ltd.

9th. The Limited Partner may not substitute an assignee as contributor in its place.

10th. Additional Limited Partners may be admitted with the consent of the General Partners upon terms set forth in the limited partnership agreement.

11th. No Limited Partner shall have priority over other Limited Partners as to contributions or compensation.

12th. Upon the death, retirement or insanity of a General Partner, the limited partnership may continue business under the remaining General Partner upon the terms and conditions set forth in the limited partnership agreement.

13th. The Limited Partner shall have no right to demand and receive property other than cash in return for its contribution.

Dated as of April 1, 1970 at Salt Lake City, Utah.

GENERAL PARTNERS:

Richard D. Bass
Richard D. Bass

VISVIVAS, INC.

By Richard D. Bass
President

ATTEST:

E. A. H. Mendenhall
Secretary

LIMITED PARTNERS:

RICHARD D. BASS TRUST ESTATE

By Richard D. Bass
Trustee

STATE OF TEXAS)
) ss.
COUNTY OF DALLAS)

On the 1st day of April, 1970, personally appeared before me RICHARD D. BASS the signer of the foregoing instrument, who being duly sworn acknowledged to me that he signed and executed the same.

Amelia E. Gordon
Notary Public

Residing: Dallas, Texas

My Commission Expires:

June 1, 1970

STATE OF TEXAS)
) ss.
COUNTY OF DALLAS)

On the 1st day of April, 1970, personally appeared before me RICHARD D. BASS and E. DALE MOUNT, who being by me duly sworn, did say, each for himself, that he, the said RICHARD D. BASS is the President and he, the said E. DALE MOUNT is the Secretary of Visvivas, Inc. and that the within and foregoing instrument was signed in behalf of said corporation by authority of a resolution of its Board of Directors and said RICHARD D. BASS and E. DALE MOUNT each duly acknowledged to me that said corporation executed the same and that the seal affixed is the seal of said corporation.

Amelia E. Gordon
Notary Public

Residing: Dallas, Texas

My Commission Expires:

June 1, 1971

STATE OF TEXAS)
) ss.
COUNTY OF DALLAS)

On the 1st day of April, 1970, personally appeared before me RICHARD D. BASS Trustee of the Richard D. Bass Trust Estate, who being by me duly sworn, did say that he is the Trustee of the Richard D. Bass Trust Estate and that the within and

foregoing instrument was signed in behalf of said trust estate and said

RICHARD D. BASS duly acknowledged to me that said
trust estate executed the same.

M. H. G. B.
Notary Public

Residing: Dallas, Texas

My Commission Expires:

June 1, 1971

RESPONSE TO NUMBER 6

RELINQUISHMENT OF TUNNEL EASEMENT

UNITED STATES SMELTING, REFINING AND MINING COMPANY, by its successor in interest through a series of corporate mergers and a Purchase of Assets dated November 26, 1979, SHARON STEEL COMPANY, desires to relinquish and declare abandoned that certain Easement granted April 28, 1958 for the "Whirlwind Tunnel".

WHEREAS said Tunnel Easement was granted for the purpose of gaining access to the Pearl Nos. 1 through 10 unpatented mining claims situated in the American Fork Mining District of Utah County, State of Utah; and

WHEREAS said Tunnel Easement constitutes an encumbrance upon the DUTCHMAN FLAT, M.S. No. 5890 and WILD DUTCHMAN, Lot No. 68, patented lode mining claims; and

WHEREAS, subsequent to 1958 the said Pearl No. 1 through 10 unpatented lode claims were allowed to lapse and are now terminated, and the said Whirlwind Tunnel has been caved for more than 25 years and is no longer accessible or useful; and

WHEREAS, the undersigned has no present or future need for said Easement or access to the caved Whirlwind Tunnel.

Now, THEREFORE, in consideration of One Dollar and other valuable consideration received, the sufficiency of which is hereby acknowledged, the undersigned, as successor to United States Smelting, Refining and Mining Company, hereby relinquishes and declares abandoned the Easement for the "Whirlwind Tunnel" dated April 28, 1958 (recorded May 19, 1958 in the Official Records of Utah County in Book 780, at pages 105-106).

IN WITNESS WHEREOF, Sharon Steel Company, as successor in interest to the former United States Smelting, Refining & Mining Company, a Maine corporation, has caused these presents to be executed by its properly authorized officer as of the 27th day of May, 1988.

SHARON STEEL COMPANY

By: James M. Newcomb
James M. Newcomb
Senior Vice President

STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

On this 27th day of May, 1987, personally appeared before me James M. Newcomb, who, being by me duly sworn, did say, that he is the Vice President of Sharon Steel Company, and that said instrument was signed in behalf of said corporation by authority of its by-laws, and said James M. Newcomb acknowledged to me that said corporation executed the same.

My Commission Expires:

1-17-89
UTAH

NOTARY PUBLIC
Residing at:

David A. [Signature]
Bountiful, UT

RESPONSE TO NUMBER 8

RELEASE OF MINING LEASE

DAN PROCTOR, 9924 North Canyon Road, Pleasant Grove, Utah 84062, hereby releases all of my right, title and interest held pursuant to that Mining Lease dated December 3, 1981 granted by Dutchman Coalition Mining Company and recorded in Book 1451, page 480 as Entry No. 34300 on December 4, 1981 in the Utah County Records, a true and correct copy of which is attached.

In executing this Release, I acknowledge and confirm my duty to perform all acts reasonably necessary to remove any and all liens and encumbrances, reclamation obligations, disposal of equipment or waste materials which may continue to adversely affect the property herein released and originating out of my rights or interests formerly held in said property.

OCTOBER

Executed this 6th day of ~~September~~ ^{OCTOBER}, 1986.



Dan Proctor

STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

OCTOBER

On this 6th day of ~~September~~ ^{OCTOBER}, 1986, personally appeared before me, Dan Proctor, who being duly sworn, did say that the foregoing Release of Mining Lease was executed by him.


My Commission Expires:

11-19-86


NOTARY PUBLIC

Residing at: Orem, Utah



I will be more than happy to help you sell this property. I feel I know it better than most and you may use my knowledge to help you accomplish this goal.
 *Oct. 4, 1986*

32054

NOTICE OF DEFAULT
AND
LEASE CANCELLATION

RECORDED
UTAH COUNTY RECORDERS
OFFICE
SALT LAKE CITY
SEP 24 1986
AM 9:41
MRS. B. HEID
RECEIVED

1986 SEP 24 AM 9:41

Robert H. Smith, III

32054

To Whom It May Concern:

Notice is hereby given that the Mining Lease entered into on the 3rd day of December, 1981 between Dutchman Coalition Mining Company, as lessor, and Dan Proctor, 1551 East Cherokee Drive, Pleasant Grove, Utah 84062, as lessee, recorded December 4, 1981, Entry No. 34300, Book 1451, Page 480, Utah County Records is in default and subject to cancellation in accordance with the terms provided therein.

ITEMS OF DEFAULT

The following items of default support cancellation of said lease:

1. Failure to pay lease rentals from December 3, 1981 to the present, which amount totals \$5,124.07, plus interest.

2. Failure to pay all taxes, levied and assessed upon the properties when due.

3. Failure to keep property free and clear of all liens, including but not limited to:

a. Federal Tax Lien in the amount of \$3,576.60, recorded December 21, 1981, entry no. 35735, Book 1955, Page 93, Utah County Records Office.

b. Federal Tax Lien in the amount of \$3,576.60, recorded February 25, 1983, Entry No. 5256, Book 2032, Page 199, Utah County Records Office.

c. Judgment Lien in the amount of \$26,932.07 plus interest filed February 7, 1986 as Case No. AB 86 224.

4. Failure to pursue diligent development and production of ores and minerals.

Upon failure of the lessee to cure the foregoing items of default within 30 days after recording this Notice of Default, said lease will be cancelled and all rights of lessee thereunder will be terminated without requirement of further notice or recording.

BOOK 2342 PAGE 194

Cancellation of said lease shall not relieve lessee from any continuing liability under the lease to remove and properly dispose of all toxic or hazardous mine waste generated by lessee's operations, to curtail all pollution, waste, water or other effluents emitting from lessee's operations, reclamation of all surface disturbance caused by lessee so as to prevent excessive erosion, removal or remedy of all hazards to life or property generated by lessee's activities, or the general requirement to return to leased premises in a condition as good as or better than the condition of the property at the date of the lease in terms of safety and environmental hazards. Nor does this lease cancellation terminate the lessee's responsibility to keep the property free and clear of all liens or to hold lessor harmless from any liability occasioned by lessee's operations or any payments owing under lease.

Dated this 4th day of September, 1986.

DUTCHMAN COALITION MINES COMPANY

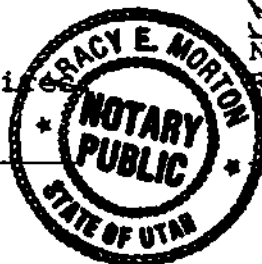
By: John Hornok
John Hornok, President

STATE OF UTAH)
)ss.
COUNTY OF SALT LAKE)

On this 11th day of September, 1986, personally appeared before me, Reverend John Hornok, who being duly sworn, did say, that he is the President of Dutchman Coalition Mines Company, and that said instrument was signed on behalf of said corporation by authority of its articles and by-laws, and that said Reverend John Hornock acknowledged to me that said corporation executed the same.

My Commission Expires

05-09-90



Tracy E. Morton
Notary Public
Residing at:
Salt Lake City, Utah

RESPONSE TO NUMBER 9

001 EPA ID NO.	NPL/	SITE NAME	STATE	ZIP	OPERABLE	EVENT	ACTUAL	ACTUAL	
LATITUDE	NON-NPL	STREET			UNIT	TYPE	START	COMPLETE	CURRENT EVENT LEAD
LONGITUDE	NFRAP	CITY					DATE	DATE	
		COUNTY CODE & NAME				EVENT QUALIFIER			
UTD988074951	NON-NPL	AMERICAN FORK CANYON/UINTA-NATIONAL							
4032300	NFA	PLEASANT GROVE	UT	84601					
11135500		PLEASANT GROVE							
		049 UTAH							

THE SITE CONSISTS OF THREE KNOWN MINES INCLUDING PACIFIC MINE, THE MARY ELLEN MI
NE, AND THE LOWER BOG MINE. THERE IS ALLEGED CONTAMINATION OF SURFACE WATER IN
A HEAVILY USED FISHERY DUE TO MINING ACTIVITY.

00	DS1	01/24/92	FEDERAL FACILITY
00	PA1	09/12/95	FEDERAL FACILITY

NO FURTHER REMEDIAL ACTION PLANNED

R8 SUPERFUND REMEDIAL

UT1161193002	NON-NPL	BLM - MERCUR CANON OUTWASH							
4017300	NFA	HIGHWAY 73, EAST OF TOOELE ARMY DEPOT							
11216300		TOOELE	UT	84074					
		045 TOOELE							

00	DS1	09/27/91	FEDERAL FACILITY
00	PA1	09/21/93	FEDERAL FACILITY
00	S11	09/21/93	FEDERAL FACILITY

NO FURTHER REMEDIAL ACTION PLANNED

NO FURTHER REMEDIAL ACTION PLANNED

UT0161193003	NON-NPL	BLM - SNOWVILLE LANDFILL							
4157480	NFA	T14N, R9W, SEC 32							
11242420		SNOWVILLE	UT	84336					
		003 BOX ELDER							

00	DS1	12/15/89	FEDERAL FACILITY
00	PA1	09/27/93	FEDERAL FACILITY

NO FURTHER REMEDIAL ACTION PLANNED

10/15/98 TUE 14:41 FAX 3033126071

Approved by
10/15/98



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

999 18th STREET - SUITE 500
DENVER, COLORADO 80202-2466

TELECOPIER REQUEST

TO BOB PRUITT

AGENCY/FIRM _____

DIVISION/OFFICE _____

TELEFAX NUMBER 801-531-8468

TELEPHONE NUMBER _____

CITY & STATE SLC UTNUMBER OF PAGES TO FOLLOW 12SUBJECT AMERICAN FORK CANYONFROM LUKE D. CHAVEZ

PHONE _____

COMMENTS _____

SENT _____ DATE _____ INITIALS _____

Emergency Response and Ecosystems Protection Program Fax (303)312-6071



701-931-7462

COPY



403196

PRELIMINARY ASSESSMENT DECISION - EPA REGION VIII

Site Name: AMERICAN FORK CANYONEPA ID#: UT D 982 074951Alias Site Names: -City: UINTA NAT'L FOREST, UTCounty or Parish: -State: -Refer to Report Dated: JUNE 1994Report developed by: US Forest Service

The purpose of this sheet is to document the decision made at the conclusion of a Comprehensive Environmental Response Compensation and Liability Act (CERCLA) Preliminary Assessment (PA) with respect to future actions to be taken at the site. The PA is designed to distinguish between sites that pose little or no threat to human health and the environment and sites that require further investigation. As a result of the PA, if it is determined that a site has the potential to achieve a Hazard Ranking Score (HRS) equal to or greater than 28.5 then the site will be assigned a "higher" or "lower" priority for a Site Inspection. If the site is determined to achieve a HRS score less than 28.5 then the site will be given the disposition of "No Further Remedial Action Planned" (NFRAP). Because of the inherent difficulties in evaluating a site under the HRS on the amount of information provided in a PA, the following qualitative factors will be used as a measure for assessment.

(CHECK ALL THAT APPLY)

WASTE TYPE	NATURE OF RELEASE
<input type="checkbox"/> KNOWN LISTED HAZARDOUS SUBSTANCE	<input checked="" type="checkbox"/> OBSERVED OR DOCUMENTED
<input checked="" type="checkbox"/> SUSPECTED HAZARDOUS SUBSTANCE	<input type="checkbox"/> SUSPECTED
<input type="checkbox"/> CERCLA - EXEMPT WASTE	<input type="checkbox"/> UNKNOWN
<input type="checkbox"/> UNKNOWN	<input type="checkbox"/> NONE/FULLY CONTAINED
<input type="checkbox"/> NONE/NO LONGER ON SITE	

TARGETS/RECEPTORS	
<input checked="" type="checkbox"/> KNOWN	<input checked="" type="checkbox"/> POTENTIAL
HUMAN	HUMAN
<input type="checkbox"/> INHALATION	<input type="checkbox"/> INHALATION
<input type="checkbox"/> DRINKING WATER	<input type="checkbox"/> DRINKING WATER
<input type="checkbox"/> FOOD CHAIN/FISHERIES	<input checked="" type="checkbox"/> FOOD CHAIN/FISHERIES
<input type="checkbox"/> ON-SITE (circle Workers and/or Residents)	<input type="checkbox"/> ON-SITE (circle Workers and/or Residents)
<input type="checkbox"/> NONE	<input type="checkbox"/> UNKNOWN
ENVIRONMENTAL	ENVIRONMENTAL
<input type="checkbox"/> SENSITIVE ENVIRONMENT	<input type="checkbox"/> SENSITIVE ENVIRONMENT
<input type="checkbox"/> SENSITIVE HABITAT	<input type="checkbox"/> SENSITIVE HABITAT
<input type="checkbox"/> TERRESTRIAL SENSITIVE	<input type="checkbox"/> TERRESTRIAL SENSITIVE
<input type="checkbox"/> NONE	<input type="checkbox"/> UNKNOWN

	HIGHER PRIORITY QUALIFIER	LOWER PRIORITY QUALIFIER
HRS CANDIDATE	<ul style="list-style-type: none"> -Level I or II likely -Large waste quantity where targets exist -Large potential targets where there is poor containment and/or high likelihood to release 	<ul style="list-style-type: none"> -Potential targets where waste is present -Waste characteristics are moderate to weak but where targets are present -Weak containment/moderate likelihood to release where targets are present
NO FURTHER REMEDIAL ACTION PLANNED (NFRAP)		
<div style="border: 1px solid black; border-radius: 50%; padding: 5px; display: inline-block;"> NOT A HRS CANDIDATE </div>	<ul style="list-style-type: none"> -No waste present or -Full containment or -Full removal or -No targets within HRS proximity 	

DECISION:

☒ NO FURTHER REMEDIAL ACTION PLANNED (NFRAP) - Site does not qualify for further assessment under CERCLA.

☐ DEFERRED - Site may qualify for further action, but is deferred to: ☐ RCRA subtitle C permit
☐ NRC (Federal License)

FURTHER ASSESSMENT NEEDED:

☐ HIGHER PRIORITY - Immediate Site Inspection required as soon as possible—site established as a higher threat

☐ LOWER PRIORITY - Site inspection required—site established as a lower threat

DISCUSSION/RATIONALE: Mine wastes from small operations in Uinta Nat'l Forest. Locations are accessible only for recreational purposes.

Report Reviewed
and Approved by:

VERA MORITZ

Signature:

V. Moritz

Date:

9/12/95

Site Decision
Made by:

VERA MORITZ

Signature:

V. Moritz

Date:

9/12/95

United States
Department of
Agriculture

Forest
Service

Pleasant Grove
Ranger District

P.O. Box 228
Pleasant Grove, UT 84062



October 13, 1994

COPY

Mr. Marshall Fischer
Federal Facilities Site Assessment Manager
U.S. Environmental Protection Agency
999 18th Street - Suite 500
Denver, Colorado 80202-2466

Dear Mr. Fischer:

The Preliminary Assessment sent to you regarding the American Fork Mining District Site was a draft. Enclosed is the final form of this document. Please disregard the original Preliminary Assessment.

If you have any questions, feel free to contact me at (801) 785-3563.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim Garcia', with a long horizontal flourish extending to the right.

Tim Garcia
Forester

EXECUTIVE SUMMARY

PACIFIC, LOWER BOG, AND MARY ELLEN MINES
AMERICAN FORK CANYON, UTAH

The Pacific, Lower Bog, and Mary Ellen mines are located on National Forest System lands on the Uinta National Forest. Each mine has associated tailings piles with ground water running out of the mine adits. This water has been tested periodically, and is known to contain elevated levels of copper, zinc, lead, and cadmium.

The area near the Pacific mine is used by recreationists. OHV (Off Highway Vehicle) use occurs on the tailings pile of the Pacific mine. The Lower Bog and Mary Ellen mines are less accessible to the public. Water from adits of all three mines eventually enters the North Fork of the American Fork River.

The Uinta National Forest recommends mitigation and reclamation to varying degrees at each site. This Preliminary Assessment makes no effort to recommend specific techniques. Rather, the P.A. is written to give the reader an overview of the situation at each site along with a brief history, ownership, and condition of sites.

GENERAL SITE INFORMATION**CERCLIS ID NUMBER:**

UTD 988074951

SITE NAME AND LOCATION:

The site has been identified and will be referred to as the American Fork Mining District Site which is composed of three separate locations which are in close proximity to each other. These sites include the: Mary Ellen Gulch mine and tailings, Lower Bog mine and tailings, and Pacific mine and tailings. General location is in Utah County, in the Upper American Fork Canyon area. The MEG mine is located in Township 3 South, Range 3 East, NW1/4 of SE1/4 Section 20. The Lower Bog Mine is in Township 3 South, Range 3 East, SW1/4 of SE1/4 Section 16. The Pacific Mine and Tailings are located at Township 3 South, Range 3 East, NW1/4 of SE1/4 Section 22. All legal descriptions are Salt Lake Based Meridian (SLBM).

Ground water is present near the surface in all three mines. The water is exposed to mineralized rock, spent ore, and/or tailings changing the chemical composition of the water (Lidstone & Anderson, Inc 1993). In the case of the three mines, the water runs out of the adit across tailings piles and into the North Fork of the American Fork River. In addition to containing trace elements picked up in the mine shafts, except at the Lower Bog Mine, the water picks up more contaminants as it passes through the tailings piles. Precipitation events also contribute to surface run-off from the tailings. At both the Pacific and Lower Bog mines, tailings piles are within 10 feet of the North Fork of American Fork river.

The area surrounding the three sites is used throughout much of the year by outdoor enthusiasts. Recreational opportunities exist throughout the area including camping, fishing, hunting, off road vehicle use, and exploring. The ability for people get close to and travel virtually unrestricted through old mining operations appeals to many people. The area has a rich mining history that attracts people to it.

Public access to the effluent and tailing piles is generally unrestricted particularly at the Pacific mine. Efforts were made to fence the area but were unsuccessful in restricting all publics from being exposed to the area. The tailings pile at the Pacific Mine is used by Off Highway Vehicles (OHV) as a hill climb and OHV play area.

The Lower Bog mine is less accessible, requiring a short hike or four wheel drive to get close enough to make the 200 yard hike to the foot of the tailings pile. The Mary Ellen Gulch mine is on private land and vehicle access requires travel with high clearance vehicles.

Exposure to the sites has not been directly linked to any health problems.

TYPE OF FACILITY:

The three sites are facilities associated with early 20th century hard rock mining claims. Silver, Iron ore, and gold were all mined at these sites (Keech). Along with the mining activities, milling also occurred on site, leaving tailing piles at the Pacific and Lower Bog mines (See Attached Photos). Ground water is flowing out of each of the three mine adits at varying flow rates and contains elevated levels of Zinc, Cadmium, Copper, and Lead (See Appendix A). At the Pacific and Mary Ellen Gulch mines, this adit discharge flows over mine tailings, also with elevated levels of zinc, copper, cadmium, and lead.

TYPE OF OWNERSHIP:

MARY ELLEN GULCH MINE: (Survey Number 157, Plat Index Number 392) Sold by Mann Enterprises to William D. Schnack on 8/20/1987. This mine is privately owned and currently not in operation. The water that flows out of the mine adit flows across mine tailings directly into the Mary Ellen Gulch tributary of the American Fork River. Shortly after the adit water enters the Mary Ellen Gulch tributary, (within 300 feet) it enters onto National Forest System lands.

PACIFIC MINE: (Survey Number 5361, Plat Index Number 491 originally known as the Blue Rock #2 claim) the Mine is owned by the Euro-Nevada Mining Corporation, Inc. 6121 Lakeside Drive, Suite 240, Reno, Nevada 89511, (702) 825-8890. The majority of the tailings pile and settling pond exist on National Forest System land.

LOWER BOG MINE: (Survey Number 5422, Plat Index Number 451) Originally patent 6/24/1910. Last owner Lorraine B. Jack et al who sold the land to United States of America on 10/14/1966 and is now National Forest System lands.

SITE STATUS:

MARY ELLEN GULCH MINE: The Mary Ellen mine is currently inactive however, the Globe mine which is adjacent (upstream) to the Mary Ellen Mine is active.

PACIFIC MINE: The Pacific mine is currently inactive.

LOWER BOG MINE: The Lower Bog mine is currently inactive.

YEARS OF OPERATION:

Each of the mines have been reviewed by Uinta National Forest Archeologist for cultural and historical significance and are all eligible for National Historic Register status.

MARY ELLEN GULCH: The Mary Ellen gulch mine was located in 1870. A patent was filed for operation in 1876. Activity occurred periodically through 1959.

PACIFIC MINE: Formally known as the Blue Rock #2 was located in 1903. At this time, there was evidence of three tunnels prior to location. Activity at this

mine was at it's height between 1910 and the late 1940's. There has been a resurgence of interest in making further explorations of this mine in the last decade by its current owner; however no significant work has been done since the 1940's.

LOWER BOG: The Bog mine was located in 1895 by Ed Hines. Initial surveys were conducted in 1905 with actual work begining in 1914. Active mining occurred through the 1940's and finally operations shut down in the late 1940's. Some prospecting occurred later in the 1970's however the majority of activity occurred between 1914 and the late 1940's

OWNER/OPERATOR INFORMATION:

MARY ELLEN GULCH: William D. Schnack c/o Associated Title Co., P.O. Box 478, Salt Lake City, UT, 84110-0478, Attn: Lyle Swenson

PACIFIC MINE: Euro-Nevada Mining Corporation, Inc. 6121 Lakeside Drive, Suite 240, Reno, Nevada 89511. (702) 825-8890 owns the mine and some tailings however, the majority of the tailings pile and settling pond exist on National Forest System land.

LOWER BOG: United States of America, National Forest System Lands.

ENVIRONMENTAL SETTING:

MARY ELLEN GULCH: The Mary Ellen Gulch mine is located at approximately 9,000 feet above sea level. Dominant vegetation types include upper elevation riparian, alpine spruce/fir type and high elevation mountain brush.

PACIFIC MINE: The Pacific Mine is located in the bottom of the North Fork of the American Fork Canyon at approximately 7800 feet AMSL. Vegetation consists of mixed conifer stands to the west and riparian vegetation skirting the east perimeter of the tailings pile and settling pond. The North Fork of the American Fork river runs within 10 feet of the tailings around the east side of the mine tailings area.

LOWER BOG: The Lower Bog is located along a stream corridor consisting of associated high elevation riparian vegetation types. The adit is in a high elevation mountain brush zone.

APPROXIMATE SIZE OF SITE:

MARY ELLEN GULCH

PACIFIC MINE: Operations at the Pacific mine cover an area of approximately 120,000 square feet. The majority of this area is used as a tailings and settling pond. The average depth of the tailings around the area is estimated at approximately five feet. The total volume of the tailings has been estimated at 600,000 cubic feet of tailings containing elevated levels of zinc, cadmium, lead, and copper. There are remains of buildings associated with the Pacific mine operation however; no intact structures are present.

LOWER BOG: Groundwater, tailings, and adit make up the facility at the Lower Bog mine. The area associated with the mine involves about 6900 square feet. The average depth of the tailings is approximately 10 feet, with total volume being approximately 69,000 cubic feet of tailings containing elevated levels of zinc, cadmium, lead, and copper. There are no facilities associated with the Lower Bog mine.

SOURCE AND WASTE CHARACTERISTICS:

SOURCE TYPES AND LOCATIONS:

MARY ELLEN GULCH: Groundwater discharge is the primary source of contamination in the Mary Ellen Gulch location. Groundwater surfacing from the adit contains elevated levels of zinc, iron, copper, lead, and cadmium. The Mary Ellen Gulch Mine is located along a south east flowing tributary drainage to the North Fork of the American Fork River at an elevation of 9,100 feet. The site has several portals, tailings and waste rock piles. The North portal has a pH of 5.95, while the south portal has a 7.2 pH. The North Portal discharges 70 GPM (Gallon Per Minute) with the south portal discharging only 2.5 GPM (Lidstone & Anderson 1993).

PACIFIC MINE: There are two major waste sources involved at the Pacific mine site. The first is the extensive tailings pile and settling pond associated with past mining activities. Dust transported by wind and precipitation run-off are both causes for the spread of these tailings from the site. Tailings and the settling pond are both within a distance of 10 to 50 feet from the American Fork river. The second source of pollution is ground water discharge from the Pacific mine adit itself. 144 GPM discharge with a pH of 6.5 was measured from the Pacific mine portal with elevated levels of lead, zinc, copper, and cadmium (Lidstone & Anderson 1993).

LOWER BOG: The Lower Bog mine has an elevation of about 8500 feet. The site consists of a single bedrock opening, tailings dump, and miscellaneous spoil piles. Discharge from the adit is approximately 44 GPM with "yellow boy" or hydrous iron oxide deposits around the area of discharge. pH levels were measured at 5.1 with total dissolved solids at 80 parts per million (PPM). 1992 samples indicate elevated levels of iron, cadmium, zinc, copper, and lead. Discharge from the mine adit flow boths around both sides of the tailings located below the mine opening (Lidstone and Anderson 1993).

HAZARDOUS SUBSTANCES PRESENT:

The following elements identified exceed aquatic standards:

MARY ELLEN GULCH: Elevated levels of zinc and iron are present (Mangum, 1988).

PACIFIC MINE: Elevated levels of lead, cadmium, zinc, and copper are present (Mangum, 1988).

LOWER BOG: Elevated levels of lead, cadmium, zinc, copper, and iron are present (Mangum, 1988).

Testing of each site has occurred on several occasions. Results of these tests can be seen in section IV of this text.

GROUND WATER USE AND CHARACTERISTICS

General Narrative:

Sources of contamination are not contained. The tailings are not encapsulated, allowing precipitation to infiltrate through. Ground water that is discharged from the mine adit is contaminated (Mangum, 1988).

Annual precipitation for all three areas is approximately 40 inches annually. Much of the precipitation comes in the form of snow between the months of November and April. Infiltration rates at all three areas would not be considered exceptionally high; but rather should be considered average with none of the areas having evidence of karst terrain.

PRIVATE WELLS WITHIN 4 MILES: There are no known private wells within four miles of any of the three mines sites identified. The areas downstream from the Pacific mine particularly is a popular site for camping and fishing.

SURFACE WATER USE AND CHARACTERISTICS

DISTANCE TO NEAREST SURFACE WATER:

MARY ELLEN GULCH: The closest surface water to the Mary Ellen adit is within 30 feet. The effluent from the adit flows down across mine waste and directly into the Mary Ellen Gulch tributary of the American Fork River.

PACIFIC MINE: The tailings pile and settling pond is within 10 feet of the American Fork River. During precipitation events, run off will flow directly across the tailings and into the river. The effluent from the Pacific mine adit flows into a wetland area created by beaver activity. This beaver pond captures some of the contaminants preventing a strong solution from entering the American Fork stream channel (Lidstone & Anderson, 1993). However there is evidence that some elements enter the stream. (Lidstone & Anderson, 1993)

LOWER BOG MINE: Tailings from the Lower Bog mine are within 3 feet of the main channel of the American Fork River. In addition to the exposure of surface water, adit discharge runs over and around the tailings. Either adit discharge or springflow flows beneath the tailings pile and enters the stream from beneath the mine tailings.

SURFACE WATER BODY TYPES WITHIN 15 DOWNSTREAM MILES

Tibble Fork Reservoir is approximately 7 downstream miles from the lowest site (Mary Ellen Gulch). It is used as a flood control structure. Water collected there is also used for agricultural irrigation in the Utah County area. No evidence has been collected indicating the contamination of Tibble Fork Reservoir as a result of these sites. Evidence in fact shows little effects of the contaminants less than a mile down stream from the lowest source.

FISHERIES WITHIN 15 DOWNSTREAM MILES:

All three mines are located in the American Fork drainage. The American Fork river, including Tibble Fork Reservoir is a put and take fishery managed primarily for rainbow trout. Secondary management is for brown and cutthroat trout. The Utah Division of Wildlife Resources (DWR) stocks approximately 35,500 fish a year in the stream reach from Mary Ellen Gulch to the mouth of American Fork Canyon, which is a distance of approximately 11.6 stream miles.

No studies have monitored fish downstream of the mines for contaminants. Many of the planted fish do not overwinter and spawn. A small, but important native cutthroat trout population does overwinter and spawn in this drainage. The majority of fish caught in the American Fork river have been in the drainage less than one year. Fisherpersons commonly keep and eat the fish they catch.

Quantifying the actual number of recreation fishing hours on the American Fork river is difficult, but the DWR manages the American Fork river as a "heavy use" area and has a goal of 500 angler-hours/acre/year.

Numerous log structures designed to enhance fish habitat have been installed along the upper reaches of the American Fork River. Rainbow trout congregate in the pools below these structures and encourage fishing below the discharge of the three mines. Tibble Fork Reservoir was built as a sediment trap and traps sediment associated with the discharge from the sites.

SENSITIVE ENVIRONMENTS AND WETLANDS WITHIN 15 DOWNSTREAM MILES:SOIL EXPOSURE CHARACTERISTICS:

General Narrative

Soil effects are localized and restricted to immediately around each of the three sites. Little evidence has been gathered indicating effects to the soil resources.

AIR PATHWAY CHARACTERISTICS:

General Narrative

Effect of the air pathway is localized at all three sites. Localized wind at each site has the potential to transport contaminated tailing dust within a close proximity of each site. The threat of air pathway contamination is not fully known. Dust from these areas has been witnessed by individuals and seems to be the only threat to the air pathway.

10/15/88 TUE 14:35 FAX 30331260~1

R8 SUPERFUND REMEDIAL "

012

LOCATIONS OF SENSITIVE ENVIRONMENTS WITHIN 4 MILES:

RESPONSE TO NUMBER 11

MINING LEASE

THIS MINING LEASE, entered into this 3rd day of December, 1981, between DUTCHMAN COALITION MINING COMPANY of P. O. Box 7111, Murray, Utah 84107, hereinafter called "Dutchman," as Lessor, and DAN PROCTOR of 1551 East Cherokee Drive, Pleasant Grove, Utah 84062, hereinafter referred to as Lessee.

W I T N E S S E T H:

WHEREAS, Dutchman is owner of the following described patented lode mining claims situated in the American Fork Mining District of Utah County, located in Township 3 South, Range 3 East, Salt Lake Base and Meridian (hereinafter referred to as the "Mining Properties").

Wild Dutchman	Lot No. 68
New Idea	M.S. No. 5866
First Northerly Extension of the Wild Dutchman	M.S. No. 5866
(Containing 44.948 acres, more or less)	

WHEREAS, Lessee desires to operate and mine valuable ores from the Mining Properties, and

WHEREAS, Lessee desires to lease the Mining Properties in consideration for the covenants, rentals, and royalties hereinafter provided,

NOW, THEREFORE, in consideration of the sum of TEN DOLLARS (\$10.00) and the covenants and agreements hereinafter expressed, the parties hereto mutually and severally covenant and agree as follows:

SECTION ONE

RIGHTS GRANTED TO LESSEE

Dutchman does hereby demise, let and grant to Lessee, to the extent owned by Dutchman, the exclusive right and privilege to mine and dispose of all ores and other minerals

in, upon, under, or belonging to the Mining Properties owned by Dutchman which are more particularly described above. Dutchman reserves to itself the right to enter at any time the Mining Properties listed above to inspect for compliance with the terms of this agreement. Dutchman expressly makes no representations or warranties as to title or ownership of the Mining Properties.

This instrument is not to be interpreted to create a joint venture, joint enterprise, or any type of partnership whatsoever between the parties hereto.

SECTION TWO

TERM OF LEASE

This lease is granted for a term of five (5) years from and after the effective date of this agreement stated hereinabove. If, at the expiration of the term of this lease, Lessee shall have fully performed all of the terms and conditions of this lease, Lessee shall have the option to renew this lease on the same terms and conditions and subject to the same obligations in every respect as provided herein for the primary term, for an additional term of five (5) years, on written notice to Dutchman at least sixty (60) days prior to the end of the primary term hereof.

SECTION THREE

RENTALS

Lessee shall pay to Dutchman annual rentals of TWO DOLLARS (\$2.00) per acre per month during the term and renewal term, if any, of this lease. Said annual rental shall be due and payable to Dutchman in advance upon execution of this lease, or monthly on the first day of the month at Lessee's option. The rentals payable under this Section Three shall be payable regardless of and in addition to any production royalties payable under Section Four hereof and

shall not be credited against said production royalties.

SECTION FOUR

PRODUCTION ROYALTIES

Lessee agrees to pay annually to Dutchman for all ores, minerals, metals and by-products mined and shipped from the Mining Properties and sold by Lessee or further processed and marketed by Lessee, the following production royalty:

A sum of money equal to fifteen percent (15%) of the Net Return From Sales. The terms "Net Return From Sales" means the amount of earned revenue, as used in accordance with generally accepted accounting principles, payable to Lessee by any smelter or other purchaser of ores, minerals, metals or by-products mined or produced from the Mining Properties, less all penalties, assaying, sampling, transportation and smelting charges. In the event such ores, minerals or metals are treated or smelted by or for Lessee, the terms "Net Return From Sales" shall mean the amount of earned revenue which would have been paid to Lessee by a bona fide purchaser of said ores, minerals, or metals, less all penalties, assaying, sampling, transportation and smelting charges.

The aforesaid annual royalty payments to Dutchman shall be made on or before the 30th day of January, April, July and October of each year for all ores mined, shipped, and sold from the Mining Properties during the previous calendar quarter. Each payment shall be accompanied by a settlement sheet showing production.

SECTION FIVE

TAXES

Lessee agrees to pay all taxes levied and assessed upon the Mining Properties when due, including ad valorem real property taxes, taxes measured on production, and also including taxes levied and assessed on improvements placed on the Mining Properties by Lessee during the life of the lease, or

based on production during the term of this lease, commencing with the year 1981. Lessee shall deliver to Dutchman the original or duplicate tax receipts for all payments made. Lessee understands that the taxes for Tax Year 1981 have not been paid and are past due. Nevertheless, Lessee shall pay 1981 taxes, together with all penalties, fines, and interest, if any. Said payment shall be tendered on or before December 31, 1981.

SECTION SIX

PROPERTY TO BE KEPT FREE OF LIENS

Lessee shall pay and satisfy all claims for materials, supplies, and labor in connection with the operation of the Mining Properties when due, and shall keep said premises free of liens or encumbrances of any and every kind.

SECTION SEVEN

DUTCHMAN HELD HARMLESS

Lessee agrees to assume all responsibility for personal injuries to or the death of any person or damage to any property upon or within the Mining Properties or on any adjacent property used as ingress to or exit from the leased premises, occasioned by the negligence, strict liability or actionable fault of the Lessee, its agents or employees, and to indemnify and save Dutchman harmless from any and all claims or judgment from such damage, injury or death, including costs of defending against the same.

Lessee agrees to comply with all applicable federal and state laws and regulations, including but not limited to those pertaining to Workmen's Compensation and Occupational Disease and to comply with all other applicable state and federal laws that may pertain to Lessee's operations on the Mining Properties, and furthermore, to indemnify and hold Dutchman harmless against penalties, fines or damages that

may arise out of Lessee's operations.

Lessee shall file any necessary Operating Plans with the U. S. Forest Service or other government, state or other authorities, and shall conduct all operations in accordance therewith, so as to hold Dutchman and its mining claims harmless against any fines, levies, actions, or liability whatsoever.

SECTION EIGHT

BOOKS AND RECORDS

Lessee shall keep and maintain complete and accurate books and records of accounts showing the quantity and value of all ore and minerals sold or shipped from the Mining Properties. Dutchman or its duly authorized agents shall at any and all reasonable times be permitted to inspect such books and records relating to the Mining Properties in order to ascertain the correct amount of royalties due Dutchman. Lessee shall keep up-to-date maps showing any new workings on the Mining Properties, which maps may be inspected by Dutchman at any reasonable time.

SECTION NINE

TERMINATION AND RECLAMATION

This lease is made upon the condition that Lessee shall perform all of the covenants and agreements herein set forth to be performed by Lessee. If Lessee shall fail to make payment of royalties and/or rents when due and payable, or shall fail to comply with any of the other conditions or requirements of this lease, Dutchman may, upon giving thirty (30) days' notice in writing to Lessee specifying the nature of such default, cancel and forfeit this lease unless, within thirty (30) days after the receipt of such notice, Lessee shall correct the default, if the default relates to the payment of royalties or rents, or if the default relates

to other than payment of royalties or rents, Lessee shall undertake in good faith to correct the default and shall diligently proceed to remedy the default.

Except as otherwise provided, Lessee may at any time relinquish all of the Mining Properties after ninety (90) days prior written notice to Dutchman; provided, however, Lessee shall, in order to be fully relieved of any continuing liability under this agreement, remove and properly dispose of all toxic or hazardous mine waste generated by Lessee's operations, curtail all pollution, waste water or other effluents emitting from Lessee's operations, reclaim all surface disturbances caused by Lessee so as to prevent excessive erosion, remove or make safe all hazards to life or property generated by Lessee's activities, and generally return the leased premises in a condition as good as or better than the condition of the property as of the date of this agreement in terms of safety and environmental hazards.

Termination of the lease shall not relieve the Lessee from the obligation to keep the property free and clear of all liens or to hold Dutchman harmless from any liabilities occasioned by the Lessee's operations, nor shall the Lessee be relieved from obligations to pay royalties on ores or concentrates theretofore shipped to a smelter, reduction plant or mill for processing.

SECTION TEN

NOTICE

Any notice or other instrument in writing herein authorized to be given or delivered to Dutchman may be served to Dutchman, or sent to Dutchman by certified mail, postage prepaid, addressed to:

DUTCHMAN COALITION MINING COMPANY
P. O. Box 7111
Murray, Utah 84107

or to such other address as Dutchman may from time to time designate in writing.

Any notice or other instrument in writing herein authorized to be given or delivered to Lessee, may be served to Lessee, or sent to Lessee by certified mail, postage prepaid, addressed to:

DAN PROCTOR
1551 East Cherokee Drive
Pleasant Grove, Utah 84062

or to such other address as Lessee may from time to time designate in writing.

All payments of rental and royalties payable under Sections Three and Four hereof shall be made to Dutchman Coalition Mining Company at the address set forth in this Section Ten unless otherwise designated by Dutchman on written notice to Lessee.

SECTION ELEVEN

FORCE MAJEURE

All of the obligations of the Lessee, shall be suspended while, but only so long as, Lessee is prevented from complying with any such obligation, in whole or in part, by strikes, walkouts, acts of God, unavoidable accidents, uncontrollable delays in transportation, inability to obtain necessary materials or services in the open market, inadequate facilities for the transportation of materials, any state or federal law, regulation, or order, or other matters, exclusive of financial inabilities of Lessee, beyond the reasonable control of Lessee, whether similar to the matters herein specifically enumerated or not, provided, however, that all obligations of Lessee, shall be suspended during any period when operations on the leased premises are restricted or enjoined by any government action or contest, and provided, further, that Lessee shall not be required, against Lessee's

will, to adjust any labor dispute or to question the validity or refrain from judicially testing the validity of any state or federal order, regulation or law.

SECTION TWELVE

ASSIGNMENT

The provisions hereof shall inure to the benefit of and shall be binding upon successors in interest, legal representative and assigns of the parties, and said rights may be pledged, encumbered, assigned or sublet by Lessee to any party with Dutchman's prior written consent having been obtained, which consent shall not be withheld unreasonably.

IN WITNESS WHEREOF, these presents are executed as of the day and year first above written.

LESSOR

DUTCHMAN COALITION MINING COMPANY

By

John Hornok
JOHN HORNOK
President

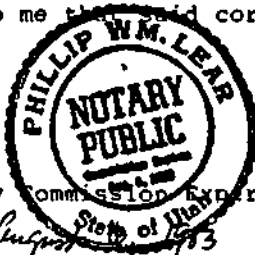
LESSEE

DAN PROCTOR

Dan Proctor

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On the 3rd day of December, 1981, personally appeared before me John Hornok, who being by me duly sworn, did say that he is the President of Dutchman Coalition Mining Company, and that said instrument was signed in behalf of said corporation by authority of its bylaws or of a resolution of its board of directors, and said John Hornok acknowledged to me that said corporation executed the same.



Phillip W. Lear
NOTARY PUBLIC
Residing At: Sandy, Utah

STATE OF UTAH)
COUNTY OF Salt Lake) ss.

On the 3rd day of December, 1981, personally appeared before me, W. DAN PROCTOR, the signer of the foregoing instrument, who duly acknowledged to me that he executed the same.



My Commission Expires:

August 6, 1983

Phillip Wm Lear
NOTARY PUBLIC
Residing At: Sandy, Utah

ASARCO

Southwestern Ore Purchasing Department

A. J. Kroha
Manager
J. N. Lambe
Assistant Manager

July 17, 1981

Proctor Mining Company
P. O. Box 369
Pleasant Grove, UT 84062

Attention: Mr. Dan Proctor

Gentlemen:

Our East Helena Plant has advised the following assay results on the sample you submitted:

<u>Oz. per Ton</u>		<u>Percent</u>				
<u>Gold</u>	<u>Silver</u>	<u>Lead</u>	<u>Copper</u>	<u>Silica</u>	<u>Iron</u>	<u>Lime</u>
0.02	26.05	25.5	0.43	3.2	1.7	1.2

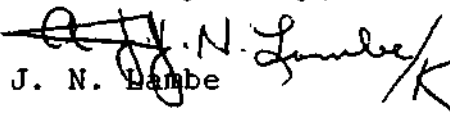
We enclose Purchase Schedule L81458 dated July 17, 1981, covering a trial lot of 100 tons lead ores and concentrates from the Dutchman Mine, American Fork Mining District, Utah County, Utah, for delivery to our East Helena, Montana, smelter.

Please complete the enclosed Advice and Release Form and forward to East Helena Plant with the original bill of lading for the first shipment. Truck shipments are accepted, subject to prior appointment, 8:00 a.m. to 2:00 p.m., Monday through Friday, major holidays excepted. Arrangements for delivery of product and representation at your expense, if desired, should be made with the following:

Mr. J. E. Eldredge, Accounting Manager
ASARCO Incorporated
East Helena, MT 59635
Telephone: (406) 227-5311

The terms are subject to your furnishing ownership papers establishing clear title in the product.

Yours very truly,


J. N. Lambe

Enclosures

DATE EFFECTIVE July 17, 1981

SHIPPER **PROCTOR MINING COMPANY** MINE NAME **Dutchman**
ADDRESS **c/o Mr. Dan Proctor** LOCATION **American Fork Mining Dist.,**
P. O. Box 369 **Utah County, Utah**
Pleasant Grove, UT 84062
PRODUCT **LEAD CONCENTRATES & ORES** R. R. STATION **Trucked**

The following purchase terms are subject to the General Clauses shown on the back of this sheet and are subject to change on 30 days' notice. Unless shipments are begun within 30 days, this quotation is automatically cancelled.

DELIVERY: Freight prepaid f.o.b. rail cars at unloading bins of the ASARCO Incorporated smelter at East Helena, Montana. The rates quoted are based on shipment in open-top gondola equipment.

PAYMENTS

GOLD: Deduct 0.02 troy ounce per dry ton and pay for 95 % of the remaining gold content at the daily London Final Gold Quotation, as published in Metals Week, less a deduction of \$5.00 per troy ounce of payable gold.

SILVER: Deduct 1.0 troy ounce per dry ton and pay for 95 % of the remaining silver content at the Handy and Harman New York Quotation for refined silver, as published in Metals Week, less a deduction of 25 ¢ per ounce.

LEAD: Deduct from the wet lead assay 1.5 units and pay for 95 % of the remaining lead at quotations for common domestic lead for delivery in New York, as published in Metals Week, less a deduction of 5.7 ¢ per pound of lead accounted for. The quantity of lead not paid for shall equal a minimum of 3.0 units per net dry ton.

COPPER: Deduct from the wet copper assay 1.5 units and pay for 60 % of the remaining copper at the daily quotation for MW Copper Composite, as published in Metals Week, less a deduction of 40 ¢ per pound of copper accounted for. The maximum quantity of copper paid for shall not exceed 5.0 units.

QUOTATIONAL PERIOD: Shall be the second calendar month following the date of arrival of the last car of each lot at Asarco's East Helena Plant.

NO PAYMENT WILL BE MADE FOR ANY METAL OR CONTENT EXCEPT AS ABOVE SPECIFIED.

DEDUCTIONS

SMELTING DEDUCTION: The smelting deduction shall be \$ 95.00 per dry ton (minimum charge \$1,000 per lot) based on:

- (a) A cost of employment of \$ 13.00 per hour at East Helena.
- (b) A cost of fuel of 400 ¢ per MBtu at East Helena.
- (c) A cost of electric power of 12 mills per kWh at East Helena.
- (d) The sum of payment for gold, silver, lead, and copper is \$ 1,000 per ton or less.

SMELTING DEDUCTION ADJUSTMENT:

- (a) Increase or decrease smelting deduction by 8 ¢ for each 1¢ per hour that the average hourly cost of employment during the calendar month including date of delivery is greater or less than \$ 13.00, fractions in proportion.
- (b) Increase or decrease smelting deduction by 8 ¢ for each 1¢ per MBtu that the average cost of fuel used during the calendar month including date of delivery is greater or less than 400 ¢, fractions in proportion.
- (c) Increase or decrease smelting deduction by 16 ¢ for each 1 mill per kWh that the cost of electric power used during the calendar month including date of delivery is greater or less than 12 mills, fractions in proportion.
- (d) Increase the smelting deduction by 5 % of the excess over such payments for gold, silver, lead, and copper of \$ 1,000 per net dry ton.

BULLION FREIGHT DEDUCTION: The bullion freight deduction per short ton of payable lead shall be the published all-rail freight rate applicable to a carload, minimum weight of 50 tons, on lead bullion from East Helena, Montana, via Omaha, Nebraska (for refining), to New York City in effect during the calendar month including date of delivery of product.

ARSENIC: If 0.50 units or more, charge for all at \$ 3.00 per unit) FRACTIONS
ANTIMONY: Allow 0.50 units free; charge for excess at \$ 3.00 per unit)
BISMUTH: Allow 0.05 units free; charge for excess at \$ 10.00 per unit) IN
NICKEL: Allow 0.30 units free; charge for excess at \$ 5.00 per unit)
MOISTURE: Allow 10.00 units free; charge for excess at \$ 0.50 per unit) PROPORTION

TONNAGE: Limited to a trial lot of 100 tons.

ASARCO Incorporated

By A. J. Krohn

ASARCO

Southwestern Ore Purchasing Department

A. J. Kroha

Manager

J. N. Lambe

Assistant Manager

August 14, 1981

Proctor Mining Company
P. O. Box 369
Pleasant Grove, UT 84062

Attention: Mr. Dan Proctor

Gentlemen:

This will refer to cash advances on shipments of lead ores and concentrates from the Dutchman Mine, American Fork Mining District, Utah County, Utah, to our East Helena, Montana, smelter.

We are willing to make a provisional cash advance of 75% of the estimated net return on the fifteenth day following the receipt of product at Asarco's East Helena Plant. The annual interest rate on advance payments shall be 1.25 times the rate available to Asarco, as quoted from time to time by Chase Manhattan Bank, N. A. Such interest will be charged from the date of the advance until the date of final settlement provided, however, that no interest will be charged beyond the 25th day of the third calendar month following the month of delivery of product.

If the above is written in accordance with your understanding and is otherwise satisfactory, kindly indicate your acceptance by signature below and return one fully executed copy to this office.

Yours very truly,

A. J. Kroha
A. J. Kroha

Accepted:

PROCTOR MINING COMPANY

By *UDBH*

December 3, 1981

Mr. Dan Proctor
1551 East Cherokee Drive
Pleasant Grove, Utah 84062

Re: Mining Lease of December 3, 1981
American Fork Canyon Mining Properties
Utah County, Utah

Dear Mr. Proctor:

This writing constitutes the formal consent of Dutchman Coalition Mining Company to your assignment of the Mining Lease of December 3, 1981, affecting the Wild Dutchman, New Idea, and First Northerly Extension of the Wild Dutchman patented lode mining claims to a new corporation to be formed by you for purposes of the mining venture. This writing complies with the provisions of Section Twelve of the Mining Lease.

Assignee shall pay to Dutchman Coalition Mining Company a bonus of \$450.00 for the privilege of receiving the assignment.

Very truly yours,

DUTCHMAN COALITION MINING COMPANY

By *John Hornok*
JOHN HORNOK
President

al

agreed to on behalf of assignee
relief

34300

REC-1951
JAN 489

ASARCO Incorporated

EAST HELENA PLANT

EAST HELENA, MONTANA

59635

TEL. 406-227-5311

P. A. DeSANTIS
MANAGER

R. D. HEARST
SUPERINTENDENT

J. E. ELDREDGE
ACCOUNTING MANAGER

June 19, 1981

Proctor Mining Company
1551 E. Cherokee
Pleasant Grove, Utah 84062

Dear Sir:

Enclosed is the assay certificate for your
recent hand sample.

Sincerely yours,



P. A. DeSANTIS

Encl.

Dutchman Mine
Utah Co., Utah

Dutchman Mine, Utah County, Utah

1/10/48

P6
EN

This property operated by Willard Cleghorn, was visited by H. G. Peacock and myself December 4th. The International Smelting and Refining Company have renewed their interest in the property and have received an offer from Cleghorn for purchase of the lease. Cleghorn, Peacock and myself discussed at some length the possibility of financing needed development work through Smelter loans, with the view of forstalling the move by International to obtain the Dutchman property.

Dutchman Mine, Utah Co., Utah. ~~Cleghorn~~

Mr. Willard Cleghorn, operator, under a lease to 1954, with 10-year extension clause, from the Dutchman Coalition Mines Company (Mr. W. H. Holden) is shipping lead-zinc sulphide ore to Midvale from levels developed up to 200 feet below the adit level. Irregular pods of strongly broken, high-grade ore are located in a wide fault zone bordered by Cambrian quartzite on the footwall and Madison limestone (?) on the hangingwall. Some ore is found "frozen" to the quartzite footwall, suggesting original ore deposition along the present fault structure.

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Center at (303) 312-6473.

HARVEY D. HEIST

CONSULTING ENGINEER

MINING AND OIL

1000 LYBLOCK

SALT LAKE CITY, UTAH

August 11, 1938

Mr. Alma Bourne,
Provo, Utah

Dear Sir:

Herewith I am handing you report of conditions as I find them on the Dutchman property, American Fork Canyon, Utah County, Utah.

In my investigation of all available information concerning the property, the geologist of the American Smelting and Refining Company allowed me to inspect their map of the upper workings made by them in 1930. I could not get a copy.

In discussing the property with one of these A.S. & R. Co. geologists after comparing my lower working map with their upper working map, we both were agreed that there must be a considerable amount of virgin ground on the lower level of the Dutchman mine along the ore vein.

I believe you have a wonderful proposition here which can be opened up with little work as I have pointed out herein. The new ore may be the beginning of a new history for the mine below the turrel level and extending to the east for a considerable distance.

Respectfully yours

H. D. Heist

HARVEY D. HEIST

CONSULTING ENGINEER

MINING AND OIL

DOOLY BLOCK

SALT LAKE CITY, UTAH

Mr. Alma Bourne
Provo, Utah

Subject: The Dutchman Mine, American Fork Mining district, Utah
county, Utah.

The investigations made by the writer of the above named mining property is herein summarized. This work embraced an examination of the property, a survey of the improvements of the lower level, an attempt to define the fissure system and to define the virgin areas of the property so that they may be outlined.

All available records and history of the property, together with that of adjacent properties having a bearing upon this one, were consulted and the salient parts of same quoted.

PROPERTY:

The property commonly known as the Dutchman Mine consists of the following patented mining claims, viz:

Lot No. 68, Wild Dutchman lode, U.S. Mineral Survey No. 5866, First Further Extension of the Wild Dutchman, New Idea and Security, Survey No. 5890, Dutchman Flat Mining Claim, embracing an area of 84.548 acres, in American Fork Mining District, Utah County, Utah.

It is situated in American Fork Canyon, 12 miles up the canyon from its mouth and on the road leading up said canyon. By this road it is 17 miles to the nearest railroad station, Pleasant Grove, 9 miles of said road being oil paved and the balance a good gravel surfaced road.

The present schedule for the hauling of ore from the mine to the railroad is \$1.50 per ton, while the rate from the mine to the valley smelters direct is \$2.50 per ton.

The elevation above sea level of the lower tunnel level is about 7600 feet.

From this property the Pacific Mine lies northeast about one mile, the Miller Hill Mine, northwest about one mile, while the Yankee Mine lies about N. 60° W. 2 miles. Including the Dutchman Mine, these four mines are the most important mines of American Fork Canyon.

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CONSULTING ENGINEER

MINING AND OIL

DOOLY BLOCK

SALT LAKE CITY, UTAH

HISTORY OF PROPERTY:

The Wild Dutchman mine was discovered in the year 1872. Its production record to the year 1880 is estimated at 7,900 tons, averaging 45 ounces of silver and 40 percent lead per ton.

D.B. Huntley, Tenth Census U.S., Vol. 13 is quoted: 1085

"The ore-bearing formation is a bedded vein, from 3 to 40 feet (average 20 feet) wide, in dolomite, dipping 40° S. The gangue in general consists of from 2 to 3 feet of shale upon the foot wall and a soft clay containing fragments of silica and strongly stained by oxide of iron, locally known as "lime porphyry". The ore occurs in scattered egg-shaped bunches of from a few pounds to 600 tons. Five large ore bodies have been found, one 20 feet from the surface, one 300 feet from the surface, and the others between these. The ore is the usual ochery carbonate of lead found in a lime formation and contains small amounts of heavy spar. At the water line, in the 450 foot tunnel level, a large body of base ore was found. This consisted of iron and copper pyrites, galena, and a very large percentage of zinc blende. A porphyry dike is said to cut through the footwall into the vein near the large bodies of ore.

In the patent survey of Lot No. 68, Wild Dutchman lode on June 19, 1880 as recorded in Book M-78, page 231, in the office of U.S. Public Survey, the U.S. Mineral Surveyor is quoted:

"The ore appears in limestone and porphyry and averages 45% lead 50 to 60 ozs. silver, 6% iron.

The later locations were surveyed for patent in the year 1908 at which time the lower tunnel had not yet reached the Wild Dutchman claim.

In the year 1912 when this mine was visited by G.F. Loughlin, U.S.G.S. he reported the following:

"The principal vein of the Dutchman mine, seen in 1912," is in Cambrian limestone. It strikes N. 40° E. and dips vertically or steeply southeastward. Its width ranges from a mere streak to 2 feet. --- The vein, for most its course lies along the contact of a narrow porphyry dike. --- A minor vein parallels the main vein. Both have been followed up to the cemented talus that caps the bedrock, and several masses of ore are said to have been found in the talus. The ore mined from both veins is

HARVEY D. HEIST

CONSULTING ENGINEER

MINING AND OIL

DOOLY BLOCK

SALT LAKE CITY, UTAH

is mostly a sandy mixed lead and zinc carbonate. That mined by lessees in recent years is said to average 30% lead, 9 to 17 % zinc and 50 ounces silver to the ton."

It would appear from the above statement that the lower tunnel had not yet penetrated the sulphide zone in the year 1912.

It is therefore very probable that since the year 1912 most of the workings shown on the plat of the lower workings, that fall within the lines of the Wild Dutchman claim, have been made. That considerable ore was mined from these lower workings is very evident. As most of this work was performed by leasers, definite information as to the amount cannot be obtained. Some of the workings have since caved but the main lower workings are shown upon the map.

The upper workings mentioned in the 1880 patent survey have been practically obliterated. That survey mentions 3 tunnels within a radius of 40 feet from the discovery point and the other 135 feet southeast of the discovery. The lengths of these tunnels were recorded as being 290, 135, 100 and 260 feet, respectively. There is no record that any of these workings were on inclines, but it is possible that ore was followed up to the old workings from the center lower tunnel. One connection is shown on the map from the center drift to the upper works, 130 feet long.

To obtain a fair estimate of the quality of the ore now available in the lower workings an average was made of the most recent shipments from the property, by the Murphy Bros.

The smelter returns from 120.75 tons averaged as follows:

Gold, 0.01 ozs., Silver 14.01 ozs., Lead 11.60%, Copper 0.16%
Zinc 31.8 %, Iron 5.6%, Insoluble 30%

It is believed that this quality of ore is what is now present on the lower level.

In the year 1930 the American Smelting and Refining Company made a survey of that portion of the upper workings then accessible and from their map it is shown a strong vein leading N. 40° E. from near the point of the discovery on the Wild Dutchman claim. That said vein was nearly vertical, dipping 80° to the southeast and that a winze was sunk on it at several points on its course. The tunnel level was 113 feet higher than the portal of the lower tunnel.

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CONSULTING ENGINEER
MINING AND OIL

DOOLY BLOCK

SALT LAKE CITY, UTAH

Thus there appear to have been three periods of development, the first, the four tunnels mentioned with a total length of 685 feet prior to 1880, with a production of 7900 tons with a value of about \$640,000.00 (1880 prices, silver \$1.12, lead 0.04 %). A second period where a tunnel was run along the fissure and about 30 feet below, which is the working mapped by the A.S. & R. Co. and which shows a series of ore stopes along the same course as the early workings. The amount of ore mined is not known and this work appears to have been performed between 1880 and 1910. The third active period of the mine has been during intervals since the year 1910 when the lower tunnel was projected into the mountain from a point about 130 feet lower than the first work or 110 feet lower than the second work. This tunnel was run to cross out the vein and the caved stopes would indicate considerable ore to have been mined from it.

The present development consists of a short incline leading to the left from the center drift, indicated on the map "New ore bed Aug. 1938", 20 feet long and 8 feet below the floor of the drift. At this point bedded ore was opened up having limestone foot wall and shale hanging wall, with an ore body running N. 70° E. - S. 70° W. with a width of about 36 inches between walls. The dip of the ore body is steeply southeast and it has been opened up for a length of 15 feet. Indications are that this body will continue to the northeast, to the southwest, and very likely down the dip.

A sample taken from this body, of fines only, discarding the lumps containing the higher grade, on August 7, 1938, assayed as follows:

Gold 0.01 ozs. Silver 10.4 ozs., Lead 9.5 % Zinc 34.40 %

Other recent ore shipments were obtained in the East Drift as indicated upon the map.

From all available sources, written and verbal, there is no doubt that the total mineral production of the Dutchman Mine to date has reached the sum of One Million Dollars.

GEOLOGY:

The mine falls in the middle Cambrian formation, composed of limestone and shale overlying the Cambrian quartzite.

The same formation is present in Yankee, Miller Hill and Pacific mines, with the Pacific mine obtaining most of its ore in fissures in the Cambrian quartzite.

The fissure system of the property is N. 40° E. and on its

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CONSULTING ENGINEER

MINING AND OIL

DOOLY BLOCK

SALT LAKE CITY, UTAH

course to the northeast the vein appears to be the same vein making the ore in the Pacific mine; in fact, the operators of the Pacific mine make this claim.

In the upper workings a porphyry dike followed the ore vein, which dike was nearly vertical and it would appear that this dike has not been cut in the lower workings.

The dip of the rocks is to the southeast and as near as can be determined the strike is N.70°E. These dips can be seen in the first 600 feet of the lower tunnel and in the first part of the three branch drifts. Near the ore, due to minor faults the dip is not so regular and in the upper level portions of the area along the vein has a level formation. It was due, no doubt, to this level formation that the early ore bodies were opened up in level tunnels.

The underlying Cambrian quartzite was found near the present face of the east drift and indications are that considerable ore was mined near the contact at this point. If the strike of the quartzite is the same as the surface rocks, the ore being mined at the present time would be about 50 feet southeast of the contact at that point.

The highest rock on the property is the lowest member of the Upper Cambrian, a dark blue-gray, thin bedded limestone, known by some geologists as the Reade and Benson limestone. The ores of the upper workings are believed to have formed in this member.

Under this member should be a shale overlaying a limestone followed by a shale which rests on the quartzite. Due to considerable movement and action these shale beds have varying thicknesses and the limestone between the shales should be replaced by ore near the vein.

The lower workings do not appear to have cut the main ore vein which trends N.40°E., except at the one point from the center drift where a raise was put up 130 feet. The ore mined in the east drift and the center drift appears to have been bedded ore, connected in places.

NEIGHBORING MINES:

The Miller mine was discovered in 1870 and was worked until 1875 when it was "worked out" after producing 13,000 to 15,000 tons of ore assaying 40 to 54 percent lead, 30 to 47 ozs. silver and gold \$2.00 to \$10.00 per ton. In 1904 a large body of ore was found in the Miller mine and during the next few years yielded metals to the value of several hundred thousand dollars. This ore was found in a bedded deposit in the limestone of the middle Cambrian between the upper and lower shale members.

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DOOLY BLOCK

SALT LAKE CITY, UTAH

The Live Yankee mine has three veins, one between a footwall of quartzite and a hanging wall of porphyry, the second, between walls of shale at the base of the limestone and the third, strikes E.40°E. in limestone following a porphyry dike. This third vein is identical with the Dutchman vein in character and course.

This was a producer of the early day period and "worked out". It was revived in 1928, purchased by the American Smelting and Refining Company in 1929 who built a four mile tramway in 1931 and started shipping over 1000 tons of ore per month until about 1933 when it was taken over by leasers.

The large ore body mined by the smelting company is said to have been mined from the Reed and Benson limestone, under the Kennebec shale.

The Pacific mine, believed to be a northeast continuation of the Dutchman vein, has its ore chiefly in the Cambrian quartzite. Above the tunnel level and above the quartzite the ore is found near the shale contact in the bedding plane.

This mine had a considerable lapse in development work after its first flush production and at the present time is again producing ore in paying quantities.

RESUME:

The purpose of this brief description of the neighboring mines is to draw attention to their similarity in geology, ore occurrence and history.

In each case the shallow ores were extracted and the mine was said to have been worked out. After a lapse of a number of years other bodies of ore were found generally in larger amount than the original ores.

The experience of the Pacific mine would lead one to suspect that in the other cases it is very likely that when the ores have become exhausted, above the quartzite, that it can be followed into the quartzite.

In all the mines mentioned the ores occurred in the shale and limestone measures just above the quartzite and in the quartzite.

Reviewing the records of these four mines the important feature in their development has been the exploration of the veins from their outcrop into the measures which were fertile.

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DOOLY BLOCK

SALT LAKE CITY, UTAH

POSSIBILITIES FOR ORE:

An examination of map of the Dutchman workings shows that on the lower level the mine has been worked only along the east edge.

It has been pointed out that in the three old tunnels run prior to 1880 from near the discovery point of the Wild Dutchman over \$500,000.00 worth of ore was extracted along the N. 40° E. vein and within 100 feet of the surface.

Later a tunnel was driven along this same vein and about 30 feet lower from which considerable ore was extracted.

It is this tunnel that the American Smelting and Refining Co. surveyed in 1930, in which they show the vein as running N. 40° E. In its course to the northeast this map shows the vein to have been broken by minor faults but it always continues on about the same course beyond the fault.

The most important feature of the map which has a bearing upon the future value of this property is that block of ground around the Wild Dutchman discovery and extending east about 100 feet.

It is in this vicinity where the first ore was found and ore of such richness that it so effected the original discoverer that the mine received its name "Wild Dutchman". At least such is the story and no doubt is correct.

The A. S. & R. Co. map shows the vein at this point to extend below this intermediate tunnel with a dip to the southeast of 80°. This tunnel is 113 feet above the lower tunnel level.

There is no doubt but the west drift of the lower tunnel was run to tap this vein at depth and at 123 feet where a parallel vein was cut they explored for ore without success. If ore is in this vein it would be at least 60 feet higher than the top of the incline and below the tunnel level on the limestone - shale contact, the two levels where ore is found in this mine.

Continuing the west drift on its present course it will be 75 feet to a point directly under the vein of the upper works; if the dip continues to the deep 80° the distance would be 18 feet less. This point would be directly under the point producing rich ore in the upper workings and should be at or near the limestone-shale contact which produces ore in this area when adjacent to a mineralized fissure.

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MINING AND OIL

DOOLY BLOCK

SALT LAKE CITY, UTAH

This particular work is very important as the vein, with its parallel porphyry dike, should lead to large ore bodies under the favorable conditions present when the vein reaches the limestone-shale. The continuation of the west drift a distance of between 60 and 70 feet is warranted as virgin ground will be opened up on this level.

The new bedded ore now being mined from the right fork of the center drift corresponds with the strike and dip of the rock formations and it is very likely that this ore can be followed along the strike both ways and down the dip.

There is an excellent chance of following bedded ore down the dip for long distances. The East drift opened enough ore to show that it will continue to the east.

The quartzite-shale contact if followed from the East drift towards the northwest will intersect the main vein in a little over 100 feet another likely place for large deposits.

An examination of the map showing the lower workings will show that the work has reached the main vein only at one point and that is at the raise which connects with the upper workings.

It can readily be seen that any development plan which will cut the main vein from the lower tunnel level is certain to bring good returns, especially when this intersection is in the lower limestone; the limestone sometimes known as the Reade and Benson and lying under the upper shale.

CONCLUSIONS:

It has been shown that the vein system appears to be the same as that of the Pacific mine. The ores of the Dutchman appear to have a better value than the Pacific.

It also has been shown that the area along the Wild Dutchman vein has not been developed on the lower level, so that this work may produce more ore than ever was mined from the property.

The lower tunnel is in excellent shape so that work can be carried out through it to intersect the main vein by short drifts.

It is recommended that while the present mining is going on that the West drift is extended and in this way several faces of ore can be opened up and more extensive mining carried on. Development work must stay ahead of ore mining to make a mining success.

HARVEY D. HEIST

CONSULTING ENGINEER

MINING AND OIL

DOOLY BLOCK

SALT LAKE CITY, UTAH

The property is very accessible being on a good canyon road, making for low transportation costs.

While the work is carried on by hand work at the present time it can be equipped with machinery as the electric transmission line passes within 100 yards of the portal of the tunnel.

Reviewing the conditions on the property it appears possible to open up a considerable tonnage of ore with comparatively small amount of development work.

The writer feels positive that this property is in no way "worked out", and predicts that with the development plan outlined herein it will duplicate the records of the neighboring mines which "came back" strong after they were believed to have been exhausted.

Respectfully submitted

August 11, 1938

H. D. Heist

2975

DESCRIPTION

It is resolved, by the Board of Directors of Dutchman Coalition
Mining Company, Inc. meeting duly called for that purpose that

George B. Hoge President

is authorized to sign a Relinquishment of Mining Claims covering the
Security and Dutchman #1st unpatented mining claims located in
American Fort Canyon.

DUTCHMAN COALITION MINES COMPANY

BY George B. Hoge
President

MAY 25 1968

Date

Company Seal



UNITED STATES
DEPARTMENT OF AGRICULTURE
Forest Service

RELINQUISHMENT OF MINING CLAIMS

I (we), DUTCHMAN COALITION MINES COMPANY

hereby relinquish and abandon all right, title, and interest in the following described mining claims:

Names of Claims	Description of Land (Approximate legal description of lode claims.)	Dates of original, supplemental and amended locations	Volume and page where recorded, County of Utah State Utah
Security	M.S. #5866 Sec. 27 T. 3S. R. 2E. S1B&C	8/6/1889	Book 49, Page 4
Dutchman Flat	M.S. #5890 Sec. 27 T. 3S. R. 2E. S1B&C	12/23/04	Book 78, Page 3

Date March 26, 1968

DUTCHMAN COALITION MINES COMPANY
BY George E. Hays President
Name George E. Hays Title President
Name Charles E. Hays Title Secretary
Name _____ Title _____
Name _____ Title _____

Witness _____
County of Utah
State of Utah

Subscribed and sworn to before me, a Notary Public, this 26
day of March, 1968.

My commission expires March 14, 1969

George E. Hays
Provo, Utah
Residing at _____

If a corporation, syndicate, or partnership, the corporate seal should be affixed. A copy of the resolution or equivalent authorizing the relinquishment should be attached.

BC-200-2 (6/66)

RECEIVED
UTAH COUNTY RECORDS
DEPT. OF AGRICULTURE
MAY 10 1968
1607 APR 27 PM 4:11
207

There is no contact made and entered into between Dutchman

and on the State of New Mexico under date of June 19, 1903, Dutchman granted to United States Company a right to pass upon the Dutchman Flat, Survey No. 1390, and within its boundaries, to wit: 1903, and over the mining claims in American Fork Canyon, Utah County, Utah, and during a period of five (5) years, to allow the Company to use the right of way for the purpose of building up and maintaining a drift mine tunnel, the mouth of which is nearly on the common boundary line between the Dutchman Flat and Wild Dutchman claims, and which tunnel had caved and was inaccessible, and by said agreement undertook and agreed to have the United States Company within five (5) years from the date thereof opened and cleared out such tunnel as it extends through the property of Dutchman, upon demand to cause to be executed and delivered to United States Company a written instrument entitling United States Company to use such tunnel as a drift mine, in connection with any operations it may thereafter conduct, and compensation therefor, to wit: \$10,000, inclusive, unpatented lode mining claims in American Fork Canyon, Utah County, Utah, and

...fully completed with said agreement.

the fact that the defendant's use of the premises, defendant does hereby
warrant, defend, indemnify and hold plaintiff, its officers, directors, agents, employees, and assigns harmless from and against all claims, damages, costs and expenses, including reasonable attorneys' fees, which may be asserted against or incurred by plaintiff or any of its officers, directors, agents, employees, or assigns in connection with or arising out of the use of the premises by defendant or its officers, directors, agents, employees, or assigns, whether or not such claims, damages, costs and expenses are caused in whole or in part by the negligence, active or passive, of plaintiff or any of its officers, directors, agents, employees, or assigns. This obligation shall not be limited by any limitation on the amount or type of damages, compensation or benefits payable by or for any workers' compensation act, disability benefit act or sickness benefit act or by any limitation on the amount or type of damages payable by or for any tortfeasor. If common law or statutory provisions in any jurisdiction limit the conduct in or from which damages may be recovered, this obligation shall not be limited by such provisions. This obligation shall survive the termination or expiration of this lease.

11. This agreement is granted upon the express condition that during periods

when said tunnel is used by both Dutchman and United States Company, all maintenance costs of such tunnel shall be shared in proportion to the relative use made thereof by each of such parties.

IN WITNESS WHEREOF, Dutchman Coalition Mines Company has caused these presents to be executed in its name and behalf by its proper officers thereunto duly authorized as of the day and year first hereinabove written.

DUTCHMAN COALITION MINES COMPANY

By

President

WITNESSES

Secretary

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

I, On the 25 day of April, 1928, personally appeared H. W. Holder, who being by me duly sworn, did say that he is the president of Dutchman Coalition Mines Company, and that said instrument is in behalf of said corporation by authority of a resolution of its board of directors, and said H. W. Holder acknowledged to me that said corporation executed the same.

Notary Public

Residing at

6405

RESPONSE TO NUMBER 20

**DUTCHMAN
MINES**

W. O. PROCTOR
1931

157 Non-Herby Ext.

LOWER DUTYMAN

NEW IDEA

GULCH

~~UPPER DOTCHMAN~~

WHIRLWIND TUNNEL

CUTURE MUSHROOM FARM

TRAINING

2025-10-27

67788m 730m 750m